

**KANSAS DEPARTMENT OF
HUMAN RESOURCES**

**Kansas Division of Workers Compensation
28th Annual Statistical Report
Fiscal Year 2002**

January 2003

**Richard E. Beyer, Secretary of Human Resources
Philip S. Harness, Director of Workers Compensation**

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MESSAGE FROM THE DIRECTOR

Since beginning my service with the Division of Workers Compensation in August 1995, I have been pleased to be involved in many different projects and activities to make the administration of workers compensation both more efficient and effective. This administration has stressed quality management in our efforts to accomplish major improvements and update the present workers compensation system.

This annual report contains information on the Division's operations by section for the past fiscal year, tables of data on the incidence of workplace injuries and illnesses, insurance industry premiums and losses for Kansas, fraud and abuse activity, and revenue and operating expenditures for the Kansas Workers Compensation Fund. The annual report also contains the results of a major statistical study on open and closed claims. The report, however, does not cover all aspects of what happens in the Division nor is it intended to do so, although all of those elements are important.

In Fiscal Year 2002, the Division processed 72,875 occupational injury and illness reports, 15,769 applications for hearings, and 3,548 employer elections. The Business section issued 257 self-insurance permits to employers, including 31 to new applicants. The Compliance section established more than 4,500 employer contacts. This year the Fraud and Abuse Unit set a new record and collected the most in restitution and civil penalties ever, \$89,550.12 for fiscal year 2002. The Fraud and Abuse Unit has stepped up prosecution of workers compensation fraud violators. Not only is prosecution up, but enforcement of the judgment through collection of fines, penalties and restitution has significantly increased. The Industrial Safety & Health section conducted 1,222 consultations, and 315 audits to assist employers in creating safer work environments for Kansas workers and the Boiler Safety unit conducted 4,066 inspections. In addition, the Ombudsman section provided information upon request to 28,102 parties during the fiscal year.

The Research section responded to more than 37,000 requests for workers compensation histories. The Technology and Statistics section verified with the vendor the crossing over of the old mainframe data to the server system, including the computer programs needed to standardize the older data and discontinued further reliance on the database in the mainframe system as of June 2002. In addition, they published the annual report for the Division, containing statistical data on closed claims derived from a recent sample of insurers. The section also began negotiations with the winning bidder for Electronic Data Interchange (EDI) implementation, a system to allow electronic reporting of initial injuries and follow-up reports by insurers. The Division hosted three seminars on workers compensation and industrial safety topics during FY2002.

I thank all of the employees of the Division of Workers Compensation for the hard work, dedication, and loyalty they exhibit on a daily basis. I also thank the Secretary of Human Resources, Mr. Richard E. Beyer, for the support he has provided during his tenure. The Division continues to receive valuable insight from business and labor, legal counsel, the insurance industry, and health care providers on ways to improve the Kansas workers compensation system. Your assistance and guidance are always welcome.

Sincerely,



Philip S. Harness, Acting Director
KDHR Workers Compensation Division

INTRODUCTION

The Kansas Legislature enacted the state's first law governing workers compensation, as a no-fault system, more than nine decades ago, in 1911. Although many significant changes to its provisions have been made since then, the basic premise and purpose of that law have remained much the same. The premise is that those injured in industrial accidents should be compensated regardless of who is at fault. The purpose is to provide protection to the injured employee through employer safety efforts, medical treatment, and partial compensation for lost income.¹

Until 1939, the responsibility for administering the workers compensation law resided with a "workmen's compensation commissioner" whose authority extended from a series of public commissions to whom the position reported, including the Public Safety Commission in the 1920s and the Commission of Labor and Industry in the 1930s. In 1939 the Kansas Legislature created, and transferred jurisdiction over workers compensation to, a stand-alone agency named the Office of the Workmen's Compensation Commissioner. In 1961, the legislature reorganized the office again, into the Office of the Director of Workers Compensation; this office subsequently became a Division under the Department of Human Resources. Today's Division of Workers Compensation, while having grown and having undergone considerable organizational changes, is in many ways still the same agency that was created in 1939.

The current workers compensation law covers all employers in Kansas, regardless of the number of employees or the kind of work they do, with two exceptions: those employers engaged in agricultural pursuits; and any employer during a given calendar year who has an estimated payroll less than \$20,000, unless the employer is a subcontractor. The State of Kansas pays no workers compensation benefits to injured workers unless they are state employees. Private employers pay all benefits owed to their injured workers, either directly from the employer's own resources, or indirectly through another party. While most covered employers obtain insurance from private carriers or group pools, provisions in the law establish criteria for certain employers to become self-insured. Potentially eligible employers must apply for approval from the Director of Workers Compensation. Criteria include continuous operation for at least five years, a minimum level of after-tax earnings, and a minimum debt/equity ratio. The Kansas Insurance Department approves the formation of group-funded self-insurance pools and determines whether an employer qualifies for membership in a pool.

¹ *Madison v. Key Work Clothes*, 182 Kan. 186, 192, 318 P. 2d 991 (1957).

BENEFITS INFORMATION

COMPENSATION

Kansas's workers compensation law requires that an employer or its insurance carrier pay an injured employee two-thirds of the employee's gross average weekly wage up to the amount of the applicable maximum benefits listed below. To find the appropriate maximum, look in the schedule below for the range of dates that would contain the date of injury, and then go to the right to find the maximum dollar amount of the benefit. For example, if the date of injury was August 21, 1993, the maximum weekly benefit one could receive would be \$313. The actual amount one receives is the lesser of two amounts: either two-thirds of one's gross average weekly wage; or, the maximum in effect at the date of the injury. This effective maximum does not change over the life of one's claim, even though the maximum benefit level for each new 12-month interval usually increases by a small amount.

Maximum Compensation Schedule

Date of Injury	Maximum Benefit
July 1, 1992-June 30, 1993	\$299
July 1, 1993-June 30, 1994	\$313
July 1, 1994-June 30, 1995	\$319
July 1, 1995-June 30, 1996	\$326
July 1, 1996-June 30, 1997	\$338
July 1, 1997-June 30, 1998	\$351
July 1, 1998-June 30, 1999	\$366
July 1, 1999-June 30, 2000	\$383
July 1, 2000-June 30, 2001	\$401
July 1, 2001-June 30, 2002	\$417
July 1, 2002-June 30, 2003	\$432
Current Weekly Minimum:	\$25

MEDICAL

A person injured on the job is entitled to all medical treatment that may be needed to cure or relieve the effects of the injury. Under the law, the employer has the right to choose the treating physician. If the worker seeks treatment from a doctor not authorized or agreed upon by the employer, the insurance company is only liable up to \$500 toward such medical bills. The employee does have the right to apply to the Director of Workers Compensation for a change of doctor. An injured worker is generally entitled to mileage reimbursement for trips to see a physician for distances in excess of five miles for the round trip. The injured worker generally can also obtain reimbursement if transportation must be hired. Weekly compensation is payable at the above applicable rate for the duration of the disability. In no case can such payments exceed a total of \$125,000 for permanent total or \$100,000 for permanent partial or temporary disability.

BENEFITS INFORMATION

CATEGORIES OF DISABILITY COMPENSATION BENEFITS

Temporary Total Disability is paid when the employee, due to an injury, is unable to engage in any type of substantial and gainful employment. Benefits are paid for the duration of the disability.

Permanent Total Disability is paid when the employee, due to an injury, has been rendered completely and permanently incapable of engaging in any type of substantial and gainful employment. The loss of both eyes, both hands, both arms, both feet, or both legs, and any combination thereof, in the absence of proof to the contrary, shall also constitute a permanent total disability. Substantially total paralysis, or incurable imbecility or insanity, resulting from injury independent of all other causes, shall also constitute permanent total disability.

Permanent Partial Scheduled Disability is paid when the employee sustains complete or partial loss of use of a body part, such as an arm, due to a job-related injury. Compensation is limited to a percentage of the scheduled number of weeks.

Permanent Partial General Disability is paid when the employee sustains permanent partial disability not specifically covered by the schedule. Compensation is based on the percentage of disability remaining after recovery and is limited to 415 weeks.

Survivors' Benefits of \$250,000 are paid to an employee's surviving spouse and dependent children if death occurs as a result of injury. If there is no surviving spouse or dependents the legal heirs are entitled to \$25,000. Burial expenses up to \$5,000 are also covered.

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ACKNOWLEDGEMENTS

This 28th Annual Report would not have been possible without the dedication and resourcefulness of the following people and organizations:

KANSAS DEPARTMENT OF HUMAN RESOURCES

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Kenneth Hursh, Assistant Director

Technology & Statistics Section

Randall Williams, Director of Technology & Statistics Section

David Sprick, Research Analyst and principal author

Robert O'Loughlin, Analyst Intern and contributing author

Andrew Bell, Research Analyst and data administrator of the Open and Closed Claims Study

Alan Stanton, Research Analyst

Jeanne Krehbiel, Medical Fee program

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Connie Hammond, KDHR Division of Marketing and Communications

Editing:

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KANSAS INSURANCE DEPARTMENT

Insurance Experience and Workers Compensation Fund Tables furnished by:

Sabrina Wells, Comptroller

Michelle Brown

Dick Cook

WASHBURN UNIVERSITY

Statistical Consultation:

Dr. Ron Wasserstein, Professor of Statistics

Special thanks are due to the carriers, group pools, and self-insured entities that were asked to participate in the call for data that allowed the Division to include information in the section on open and closed claims in Kansas.

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Section 1

Administrative Profile of the Kansas Division of Workers Compensation

BUSINESS & ACCOUNTING SECTION

PRIMARY FUNCTIONS

- **Review** and approve or disapprove applications of individual employers requesting to become self-insured. Also, annually review existing permits to decide if a company still meets the criteria to be self-insured in the state of Kansas, pursuant to K.S.A. 44-532 and K.A.R. 54-14-4.
- **Collect** and tabulate information needed to issue assessments against insurance carriers, group pools, and self-insured employers to generate sufficient fees to support the Division, as mandated by K.S.A. 74-712 through 74-719.
- **Prepare** the budget annually within established deadlines and monitor monthly expenditures.
- **Order** equipment and supplies as needed to maintain the operations and efficiency of more than 100 employees in Topeka and in four regional offices.
- **Sell** workers compensation law books and medical fee schedules to the public as required by law.

ACCOMPLISHMENTS

- **Assessed** and collected fees from 946 insurance carriers, group pools, and individual self-insured employers.
- **Approved** the renewal of a net 257 permits, approved 31 new applicants, and processed 24 cancellations.

OBJECTIVES

- **Consult** with self-insured companies in order to improve and simplify the application process.
- **Complete** the annual budget preparation prior to the established due dates.
- **Complete** a financial report containing review and analysis of all banks issuing letters of credit to self-insured companies.

BUSINESS & ACCOUNTING SECTION

Table 1-1
Assessments Collected During Calendar Year 2001

Reported losses paid in calendar year 2001	\$369,282,714
Current assessment factor	0.02680
Assessments collected during calendar year 2001	\$9,903,804
Number of carriers and self-insurers reporting	946

Table 1-2

Self-Insurance Summary							
	FY02	FY01	FY00	FY99	FY98	FY97	FY96
Employers' New Applications Approved	31	27	21	13	17	26	20
Canceled Permits	24	17	24	27	37	29	42
Qualified Employers	257	250	240	243	257	277	280
Group-Funded Pools in Force	15	15	15	15	16	23	23

INDUSTRIAL SAFETY & HEALTH SECTION

PRIMARY FUNCTIONS

- *21(d) CONSULTATION*: **offers** assistance to private sector employers in safety and health program evaluations. Consultants offer advice in the recognition, evaluation, and control of hazards in the workplace. Assistance with program initiation and development is available. Training, both formal and informal, is performed in all areas of safety and health. All services are at no cost to the client.
- *PUBLIC SECTOR COMPLIANCE*: **monitors** the public sector—cities, counties, state agencies, and school districts by performing compliance audits under KSA 44-636. Occupational hazards are identified and program elements are assessed. Hazards must be abated within 60 days. Investigations of employee complaints, near misses and fatalities are also conducted.
- *ACCIDENT PREVENTION*: **evaluates** insurance companies to ensure that they are offering safety and health services to their insured as required by law. The quality and quantity of these services are evaluated by trained consultants by directly reviewing insurance company records. An annual report is completed each year and forwarded to the insurance commissioner.
- *BOILER SAFETY INSPECTIONS*: **performs** periodic state-certified regular and special inspections of all boilers private and public as required by law. Boiler safety has a high priority as indicated under KSA 44-913 et seq. Boiler and pressure vessel manufacturers and repair firms are monitored. All new installations of pressure vessels in the state are inspected. Boiler safety has a high priority. The boiler program is fee funded.
- *STATE WORKPLACE HEALTH & SAFETY*: **directs** the establishment of health and safety programs in state agencies. Trained consultants perform inspections to identify hazards and assess program elements. Training is provided on a variety of occupational subjects from construction safety to office ergonomics. Employee complaints and accident investigations are also performed.
- *SAFETY & HEALTH CONFERENCE COMMITTEE*: **plans** and organizes the annual Kansas Safety & Health conference to bring industrial, academic, vendor, and government safety representatives together. The conference is self-supporting and seeks to address the relevant safety issues in a variety of workshops and presentations.

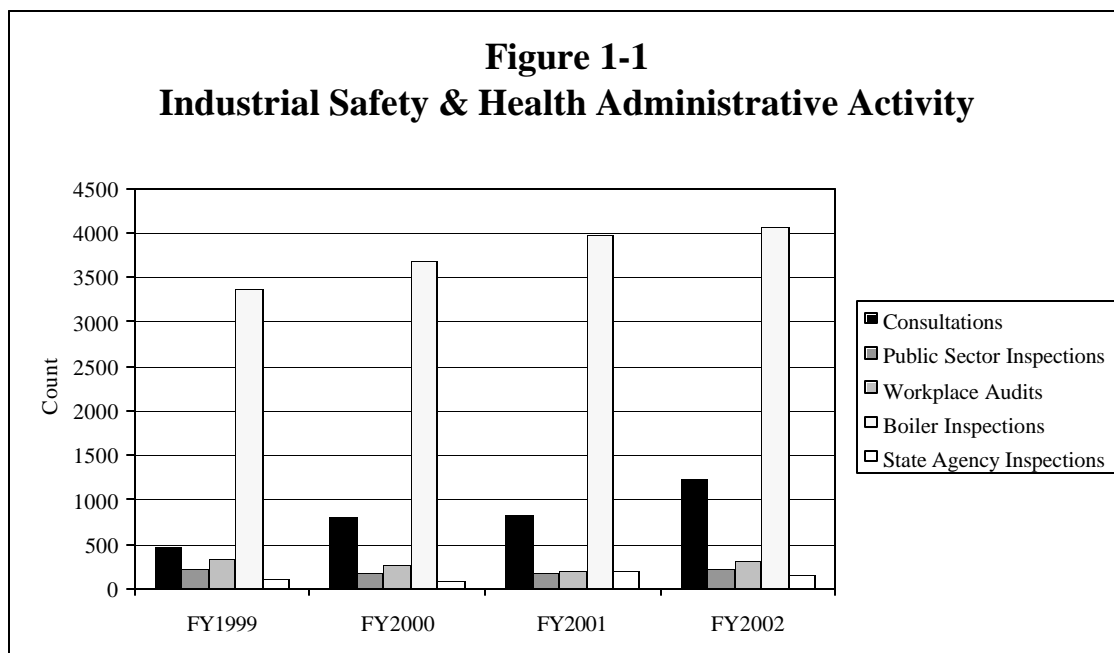
ACCOMPLISHMENTS

- **Performed** 1,222 consultations over the most recent evaluation period; 8,656 hazards were identified, and 3,427 were classified as serious and were corrected.
- **Performed** public sector inspections in 219 cities, counties, school districts, and other establishments; 2,400 discrepancies were identified and corrected. 20 employee complaints were assessed and 2 public sector fatalities were investigated. More than 12,302 public sector employees were affected by these inspections.
- **Audited** 315 workplaces with 21,157 employees under Accident Prevention. There were 1,820 types of hazards identified. Insurance companies doing business in Kansas during FY2002 reported that 8,254 inspections had been completed.
- **Conducted** 4,066 boiler inspections during FY2002 which resulted in \$380,812 in inspection fees. Additionally, fifteen shop reviews and 22 special inspections were conducted which brought in \$10,197 and \$8,605 respectively. The state general fund received 20 percent of these funds or \$37,023 from these funds. During this year, nearly 12,385 certificates were issued.
- **Performed** 148 inspections of state agencies with 21,197 affected employees. During the course of these inspections, 1,317 hazards were identified and abated.
- **Hosted** 325 attendees at the 53rd Annual Safety and Health Conference in Wichita, Kansas.

INDUSTRIAL SAFETY & HEALTH SECTION

OBJECTIVES

- **Complete** 800 consultations under the 21(d) Consultation Program.
- **Perform** 200 compliance visits of cities, counties, and school districts. Respond to all public sector complaints and perform investigations of all fatalities and near misses.
- **Increase** the number of Accident Prevention audits to 400 and offer assistance to insurance carriers for improving the quality of safety and health services through an internship program.
- **Conduct** 3,400 boiler inspections, issue 10,000 certificates, and inspect all new boiler and pressure vessel installations in the state.



JUDICIAL SECTION

PRIMARY FUNCTIONS

- **Provide** timely hearings in contested workers compensation claims.
- **Issue** a written decision within five days of the preliminary hearing.
- **Issue** an award following the regular hearing within 30 days of submission of the evidence.

ACCOMPLISHMENTS

- **Continued** to provide technical training for several administrative law judges at the National Judicial College.
- **Continued** to effectively manage significant caseloads with a large number of preliminary, regular, and post-award hearings.
- **Continued** implementation of a uniform policy for scheduling and holding preliminary or motion hearings within 21 days of the request for hearing.
- **Continued** educational outreach to the public about the workers compensation laws and fostered better understanding of the workers compensation judicial procedure. This was accomplished by several administrative law judges accepting public speaking invitations.
- **Continued** management training for all administrative law judges to assist in the efficient operation of each regional office.

OBJECTIVES

- **Continue** to upgrade the section's information processing technology and to help the administrative law judge research, and to assist their staff in meeting production and record retention requirements.
- **Provide** additional training for the judicial section staff in order to efficiently accomplish the primary functions of the section.
- **Implement** a meeting schedule for the administrative law judges to discuss methods to enact systemic change in order to continue to provide timely hearings and decisions.
- **Increase** outreach programs to educate the public and eliminate myths concerning the workers compensation judicial process.
- **Continue** to provide additional technical training for the administrative law judges at judicial colleges.
- **Continue** having offices test new software applications to assist and improve performance of judicial duties.

JUDICIAL SECTION

Table 1-3
Administrative Law Judges' Case Activity

Cases Assigned	7,817
Awards	516
Agreed Awards	671
Preliminary Hearing Held	2,260
Regular Hearing Held	822
Settlement Hearing Held	290
Motion Hearing Held	336
Post-Award Hearing Held	20
Pre-Hearing Settlement Conference Held	4,952
Case to Inactive Status	3,383
Cases Submitted for Decision	366
Preliminary Awards Granted	1,760
Temporary Total & Medical	507
Temporary Total	222
Medical	821
Preliminary Order	210
Preliminary Awards Denied	338
Temporary Total & Medical	152
Temporary Total	65
Medical	121
Settlement of Cases Set for Hearing	4,815
Settlement of Cases Not Set for Hearing	3,617

Source: Kansas Division of Workers Compensation

WORKERS COMPENSATION APPEALS BOARD

PRIMARY FUNCTIONS

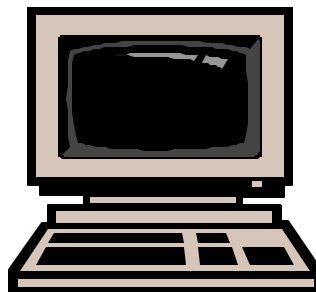
- **Responsible** for providing de novo review of administrative law judge decisions appealed in workers compensation matters.
- **Responsible** for deciding all appeals from a final order or award. Jurisdiction of preliminary hearing appeals is limited to certain issues.
- **Responsible** for insuring that decisions are made in compliance with existing workers compensation laws and regulations.

ACCOMPLISHMENTS

- **Reduced** the amount of time required from appeal to decision.
- **Issued** 505 decisions involving both awards and orders during the period July 1, 2001, through June 30, 2002. The board received 571 applications for review during the period from July 1, 2001 through June 30, 2002 and had a total of 560 dispositions.
- **Continue** to maintain and update the *Workers Compensation Appeals Board Index of Decisions Web site*. The *Index* is a quick reference and research tool supplementing the Division of Workers Compensation web site by accessing select Board decisions. The Web address is: www.wcboard.hr.state.ks.us. The Index is broken out into three separate sections. The *Keyword Index* and *Table of Contents* sections contain workers compensation topics that are each assigned a subsection number. Once a topic and corresponding subsection number are picked users can go to the *Case Summaries* section, which contains summaries of relevant Board decisions arranged by subsection numbers. The site includes a search engine and among other choices, allows users to: 1) calculate days/weeks when figuring awards, 2) look up frequently asked questions (FAQs), and 3) convert case names into docket numbers to access the full-text version of the Board's decisions.

OBJECTIVES

- **Continue** to work with the Director's office to implement rules and regulations that will simplify the appeals process.
- **Continue** to look for ways to become more efficient and more timely in its decisions.



Visit the Workers Compensation
Appeals Board Web site at:
www.wcboard.hr.state.ks.us

FRAUD & ABUSE SECTION

PRIMARY FUNCTIONS

- **Created** to combat fraudulent activities by claimants and to prevent abusive practices by respondents.
- **Investigates** alleged violations of the Workers Compensation Act. If a violation of the Act is discovered, the section attempts to pursue administrative remedies when appropriate. In certain cases, the section may ask county or district attorneys to file criminal charges.
- **Reports** other criminal activities discovered through its investigations. When appropriate, this section turns cases over to the Kansas Bureau of Investigation, Kansas Insurance Department or appropriate federal and state authorities.
- **Works** with the Division's Compliance section to ensure that Kansas employers maintain the proper amount of workers compensation insurance as prescribed by law.

ACCOMPLISHMENTS²

- **Investigated** more than 1,100 alleged fraudulent or abusive acts since the inception of the unit in 1994.³
- **Filed** numerous administrative actions. Many of these resulted in restitution paid to the victims, or fines paid to the Division.
- **Conducted** investigations that resulted in an increase during FY2002 in the number of administrative cases filed by the Assistant Attorney General assigned to the Division of Workers Compensation and criminal cases filed by county or district attorneys around the state.⁴ Disposition in many of these cases resulted in restitution by the defendant, and in some cases jail or probation time as well.

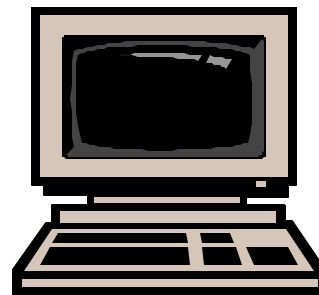
OBJECTIVES

- **Continue** high standards of investigation and ensure the continued prosecution of criminal activity.
- **Encourage** County and District Attorneys to file more criminal proceedings against those who violate the Workers Compensation Act.
- **Continue** the positive working relationship that this section has with other law enforcement agencies as well as other sections of the Division.
- **Continue** educational programs designed to explain what workers compensation fraud is, what its costs are, and how to combat it.



FRAUD HOTLINE

1-800-332-0353 24hrs/day / 1-785-296-6392 (8am-5pm)



FRAUD E-MAIL ADDRESS

wcfraud@hr.state.ks.us

² See Section 4 of this report for further details.

³ Last year's report failed to include the fact that the Unit has investigated more than 1,000 fraudulent and abusive acts since its inception in 1994.

⁴ This is a more accurate description and should have been included in last year's report as well.

APPLICATIONS SECTION

PRIMARY FUNCTION

- **Processing** applications for hearings, including the creation of the physical docket file and the coding of information for entry into the Web-based database, which generates notices to all parties involved with each case.

ACCOMPLISHMENTS

- **Processed** each preliminary hearing application in three or fewer days. For FY2002 there was a total of 15,769 applications processed by the section. There were 6,945 preliminary hearing applications and 6,152 applications for a regular hearing during FY2002. Assignment of an administrative law judge was made for each case, and notices were printed for all parties involved. There were 47 applications for a surviving spouse or dependent hearing filed with this unit and 291 post award medical applications. A total of 2,334 “miscellaneous” applications were processed by the unit and include all applications for amendments, review and modifications, penalties, insolvent impleading, corrections, and returned notices.

OBJECTIVES

- **Continue** to provide outstanding service to both internal and external customers.
- **Develop** a plan to implement an imaging system to process accident reports and other documents in the Division.

COVERAGE & COMPLIANCE SECTION

PRIMARY FUNCTIONS

There are currently two Units within the Coverage & Compliance Section. They include the following:

- **Compliance** - Ensure all employers doing business in Kansas are in compliance with and aware of their responsibilities regarding the Workers Compensation Act. Enforce proof of coverage and compliance requirements.
- **Accident Reporting** - Research and confirm illegible, incorrect or incomplete information received on accident report forms and prepare the corrected information for further processing.

ACCOMPLISHMENTS

- **Compliance** - Established more than 4,500 contacts regarding proof of coverage. Of these, 365 were required to obtain new coverage and 1,532 were starting new businesses in Kansas that this section investigated. Enforcement efforts ensured the employee a safe and protected work environment.
- **Accident Reporting** - A keen eye for detail enabled the Accident Reporting Unit to research, confirm, and process illegible, incorrect, or incomplete accident reports.

OBJECTIVES

- **Establish** electronic data reporting between NCCI and Contributions and develop a plan to improve the processing of accident reports.
- **Maintain** cooperation between various state and national entities.

DATA COLLECTION SECTION

PRIMARY FUNCTIONS

- **Reviews** awards, settlements, and final receipt and releases of liability data of amounts paid for temporary total and permanent partial disability, attorney fees, and medical costs. This unit prepares all cases, which are being sent to the Court of Appeals, for mailing.

ACCOMPLISHMENTS

- **Collected** information on dollar amounts, type of payments made, body part being compensated, percent of disability rating, and attorney fees; information was collected from 448 awards, 566 agreed awards, 9,075 settlements, 212 joint petition and stipulations, and approximately 138 final receipt and release of liabilities. Court reporter fee information was also collected.

OBJECTIVES

- **Continue** to provide outstanding service to customers in and out of the Division.
- **Develop** a plan to implement an imaging system to process accident reports and other documents in the Division.

DATA ENTRY SECTION

PRIMARY FUNCTIONS

- **Codes** and enters data into a computerized database, from all accident reports filed with the Division.
- **Data Entry** - Ensure all accident reports received are accurately coded and keyed into the Web-based database system in a timely fashion.

ACCOMPLISHMENTS

- **Coded** and entered into the mainframe computer 74,313 accident and disease reports received during this fiscal year. Codes provide information such as body part, cause, nature, and source of the injury. Carrier and employer information is also gathered from accident reports filed. The reports entered also generate labels for letters to the injured workers, answering questions about benefits and procedures. Statistics for the annual statistical report are made available from the information on the accident reports.
- **Data Entry** - Diligent effort put forth by the three Data Entry staff ensure the accident reports are accurately coded and keyed. Future statistics and all accident reporting information is based on the exceptional coding and keying skill of the Data Entry staff.

OBJECTIVES

- **Continue** to provide outstanding service to customers in and out of the Division.
- **Develop** a plan to implement an imaging system to process accident reports and other documents in the Division.

MEDIATION SECTION

PRIMARY FUNCTIONS

- **Provide** parties a means of resolving disputes in an informal and non-adversarial atmosphere.
- **Assist** parties in resolving their disputes.
- **Provide** mediation conferences in a timely manner.

ACCOMPLISHMENTS

- **Maintained** a mediation process that is user friendly and responsive to our customers' needs.
- **Conducted** mediation conferences in a timely manner (within seven days or as requested by the parties).
- **Provided** educational training to insurance carriers on the benefits of using the mediation process as a means of resolving disputes.

OBJECTIVES

- **Educate** the public on the benefits of using mediation as a means of resolving disputes.
- **Increase** the use of the mediation process.
- **Provide** cost savings to the workers compensation system by reducing the number of issues being litigated.
- **Implement** video conferencing technology within the mediation process.

MEDICAL SERVICES SECTION

PRIMARY FUNCTIONS

- **Administration** of the medical fee schedule. The schedule of maximum fees is to be current, reasonable, and fair. Revision of the schedule is required, as necessary, every two years, in order to promote health care cost containment, yet insure the availability of necessary treatment and care for injured employees.
- **Administration** of plans for both utilization review and peer review of health care services.
- **Act** as a liaison between health care providers, attorneys, employers, employees, and insurance carriers or self-insured businesses.

ACCOMPLISHMENTS

- **Implementation** of a new version of the medical fee schedule, December 1, 2001.
- **Implementation and Refinement** of a contract agreement between the Kansas Division of Workers Compensation and the Kansas Department of Health and Environment to combine resources for the collection and analysis of health care data.
- **Working** with other sections of the Division toward the development of an electronic system for bill payments and data entry.
- **Successful utilization** of the new regulations for hearings to decrease the number of formal hearings and further litigation.

OBJECTIVES

- **Completion** of the next required revision of the medical fee schedule by December 2003.
- **Consideration** for an on-line version of the next fee schedule, possibly available the first quarter of 2004.
- **Await** reports related to the Medicare Ambulatory Patient Group (APG) based prospective payment system for hospital outpatient services prior to developing a similar system for Workers Compensation.

OMBUDSMAN/CLAIMS ADVISORY SECTION

PRIMARY FUNCTIONS

- **Assist** injured workers, employers, and other parties to protect their rights under the workers compensation act.
- **To provide** technical assistance to all parties on workers compensation.
- **Assist** unrepresented claimants in obtaining a hearing, mediation or appeal.
- **Provide** presentations and training opportunities to interested parties.

ACCOMPLISHMENTS

- **Provided** a point of contact for all parties to clarify issues and obtain information.
- **Received** and/or initiated 28,102 contacts, which included general information, specific issues regarding reported and unreported accidents and on-site visits to employers.
- **Provided** educational opportunities for 35 employers and insurance groups, including employers in the assigned risk pool.
- **Provided** educational opportunities for 1,184 individuals during the past fiscal year.
- **Increased** public awareness of resources for parties needing presentations of workers compensation.
- **Provided** technical assistance to employers through on-site visits and training.
- **Established** a set of protocols and guidelines for services to employers.

OBJECTIVES

- **Increase** employer contacts by providing more training to employer groups and making more on-site visits to employers who need assistance.
- **Increase** the section's ability to initiate contact with injured workers to see if appropriate information is being received as required by statute.
- **Increase** public awareness of the availability of ombudsmen assistance in alternative dispute resolution.
- **Develop** a reporting system to track number and types of individuals reached by presentations and on-site visits.
- **Increase** public awareness and use of the Division's Web site for information and downloadable forms.

OMBUDSMAN/CLAIMS ADVISORY SECTION

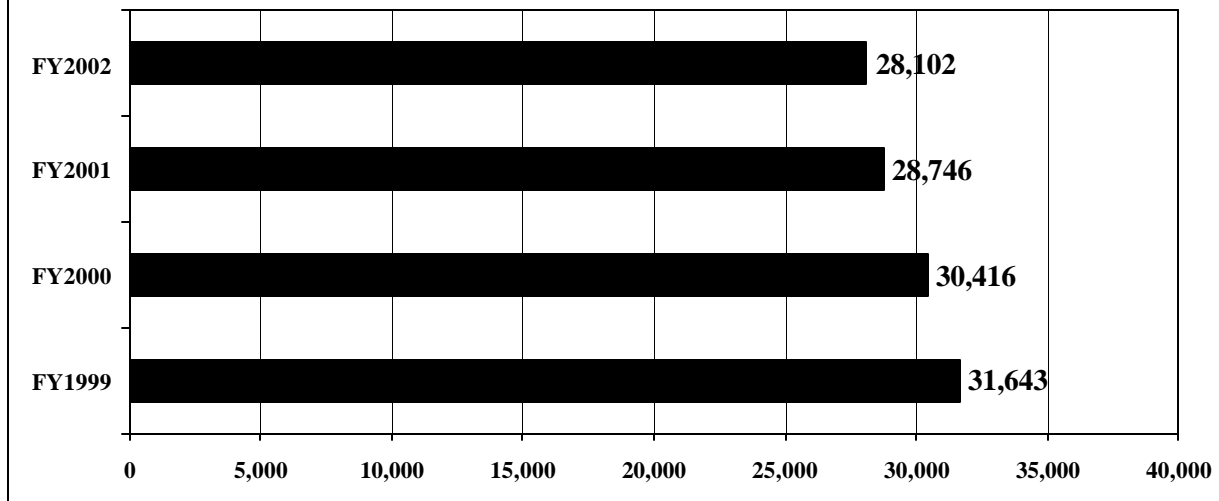
Table 1-4
FY2000-FY2002 Ombudsman Contacts

Category	FY2000	FY2001	FY2002	Total
Employees	13,836	13,253	14,012	41,101
Employers	3,176	3,484	4,313	10,973
Insurance Carriers	1,966	1,570	1,933	5,469
Insurance Agents	521	778	1,185	2,484
Attorneys	1,430	1,296	1,392	4,118
Health Care	901	858	1,107	2,866
Miscellaneous	2,058	3,310	4,160	9,528
Omb Files	6,528	4,197	N/A*	10,725
Total Contacts	30,416	28,746	28,102	87,264

Source: Kansas Division of Workers Compensation

*For 2002 Omb File Contacts are incorporated into other categories.

Figure 1-2
Total Ombudsman Contacts
FY1999-FY2002



REHABILITATION SECTION

PRIMARY FUNCTIONS

- **Coordinates** vocational rehabilitation services for injured workers when the insurance company/employer elects to provide services.
- **Reviews** medical management closures to determine the need for referral to vocational or community programs and services.
- **Refers** injured workers to the state vocational rehabilitation agency in which the individual resides when the insurance company/employer elects not to provide services.
- **Monitors** the effectiveness of both private and public vocational rehabilitation services for injured Kansas workers.
- **Provides** technical assistance for private and public vocational rehabilitation providers by telephone and personal visits.

ACCOMPLISHMENTS

- **Provided oversight** for 78 referrals to qualified private sector vocational rehabilitation vendors. Rehabilitation plans were developed for 48 individuals with 89 percent in job placement and 11 percent in a training program. Twenty-two injured workers were employed following development of a vocational rehabilitation plan.
- **Received** 1,546 new medical management referrals. Qualified rehabilitation vendors returned 625 injured workers to their employer (at time of injury) through individualized services.
- **Reviewed** 1,337 medical management closure reports to determine those in need of vocational rehabilitation or community services.
- **Informed** 181 injured workers of vocational options available through the private and/or public sector vocational services. At the end of FY2002, 38 referred workers were involved with Kansas Rehabilitation Services and out-of-state vocational rehabilitation agencies. Kansas Rehabilitation Services successfully placed three workers referred to their program.
- **Provided** technical assistance to the Kansas Division of Rehabilitation Services staff on an individual basis.
- **Researched** vocational rehabilitation services for out-of-state residents and referred them to appropriate programs.
- **Provided** information and referral to injured workers inquiring about rehabilitation options available from the public and private sectors.

OBJECTIVES

- **Increase** public awareness of the vocational assistance available through the Rehabilitation Section.
- **Continue** to educate insurance providers, employers, attorneys, and injured workers of the options and resources available through vocational rehabilitation.
- **Increase** the provision of information to all parties and coordinate informational resources with the Ombudsman section.
- **Increase** referrals to various vocational service options.

RESEARCH SECTION

PRIMARY FUNCTION

- **Searches** through computerized and hard copy files for the workers compensation histories of injured workers, to provide copies of documents to appropriate parties.

ACCOMPLISHMENTS

- **Responded** to more than 37,000 requests from attorneys, insurance carriers, and employers for workers compensation claimant histories.

OBJECTIVES

- Keep turnaround time for research requests to within four days.
- Continue to provide outstanding service to customers in and out of the Division.

Table 1-5
FY2002 Requests for Information from the Research Section

Month	Attorneys	Insurance Company	Walk-ins	Social Security	Employers	Kansas Insurance Dept	Misc	Total
2001								
July	803	312	0	2	2,112	4	0	3,233
August	841	435	4	13	2,703	1	0	3,997
September	685	292	3	1	1,849	4	0	2,834
October	865	398	1	1	2,331	2	0	3,598
November	731	275	2	3	1,744	1	0	2,756
December	611	329	0	3	1,372	2	0	2,317
2002								
January	820	297	1	3	1,569	3	0	2,693
February	780	312	0	3	1,740	4	0	2,839
March	790	313	0	4	1,666	2	0	2,775
April	805	502	1	3	2,238	10	0	3,559
May	771	373	1	7	2,502	9	0	3,663
June	767	352	1	3	2,243	8	0	3,374
Total Requests For Year	9,269	4,190	14	46	24,069	50	0	37,638
Average Requests Per Day	37.22	16.83	0.06	0.18	96.66	0.20	0.00	151.16

Source: Kansas Division of Workers Compensation

TECHNOLOGY & STATISTICS SECTION

PRIMARY FUNCTIONS

- **Responsible** for working with Division users and the Department's programmers to maintain and enhance the division's new Web-based, client-server system.
- **Responsible** for research studies mandated by statute, including studies of closed claims and the effectiveness of the Workers Compensation Act. Collects data as needed or requested, including design of survey instruments, data collection, statistical analysis, and reporting. Responds to individual research requests from both internal and external customers.
- **Responsible** for providing workers compensation information to the public and legislature through an annual statistical report, periodic Division newsletter, Web site, and outcome reports from research studies and evaluations. The staff maintains a database of information on work-related accidents in Kansas.

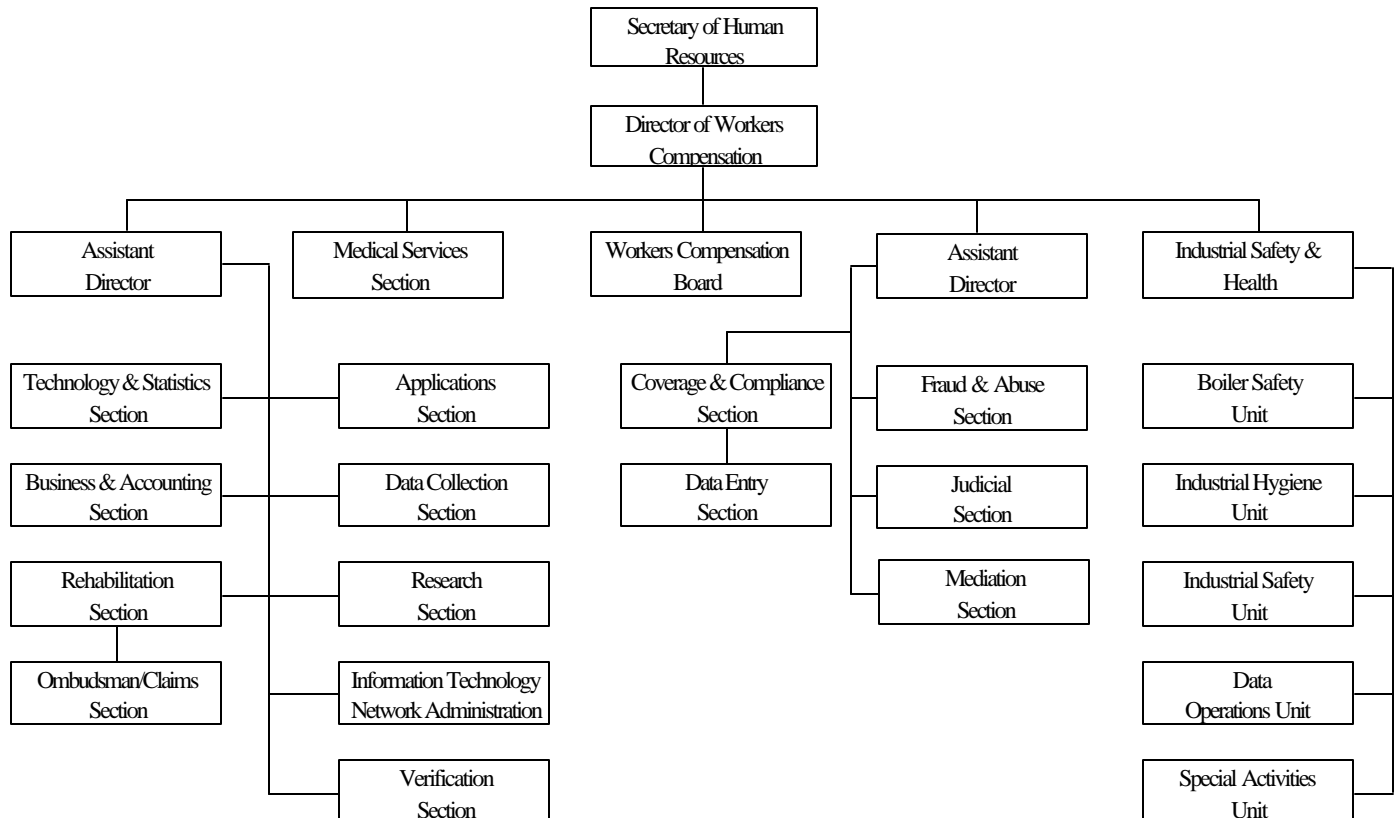
ACCOMPLISHMENTS

- **Participated** with the selected vendor in resolving issues related to implementation of the new system. Verified with the vendor to cross over the old mainframe data to the server system, including the computer programs needed to standardize the older data. Discontinued further reliance on the database in the mainframe system as of June 2002. The Section also arranged meetings between programmers and the Division staffs to ensure business needs were addressed.
- **Published** the annual report for the Division, containing statistical data on closed claims derived from a recent sample of insurers, also statistics on the accomplishments of the Fraud and Abuse Section.
- **Published** a new edition of Workers Compensation laws and regulations.
- **Processed** medical fee data received from insurers and carriers, and implemented for the first time a compliance system, in cooperation with the Fraud and Abuse Section, to ensure all entities were reporting properly. Developed a User Manual for the data collection effort subcontracted to the Kansas Department of Health and Environment.
- **Completed** many specialized research projects in response to external customer inquiries.
- **Continued** to support the Division's Web site, including the Spanish Web page, and made all Division forms available. Participated on a departmental-wide committee to improve and enhance the Web site.
- **Began** negotiations with the winning bidder for Electronic Data Interchange (EDI) implementation, a system to allow electronic reporting of initial injuries and follow-up reports by insurers.

OBJECTIVES

- **Complete** enhancements and improvements to the new Web-enabled, client-server environment, as requested by Division users, in partnership with the database vendor and departmental programming staff.
- **Publish** and distribute an annual statistical report to about 900 interested parties.
- **Continue** to conduct statistical searches and prepare reports for internal and external customers.
- **Implement** a contract with the winning EDI bidder to implement systems to accept accident reports electronically on a voluntary basis by January 1, 2004 from insurance carriers, group pools, and self-insured employers, according to statute. Continue to participate with other states and insurers in a national project to develop and expand standards for electronic reporting of accidents.
- **Continue** to collect data from Kansas insurers on medical fee charges, in order to assist the Medical Fee Section in preparing the biannual medical fee schedule. Continue working with the Kansas Department of Health and Environment, to collect diagnostic, hospital in-patient, and other statutorily required data under contract to the Division.

Organizational Chart
Kansas Department of Human Resources
Division of Workers Compensation
FY2002



Section 2

Incidence of Workplace Injury and Illness in Kansas

The state of Kansas has a compelling interest in the safety, health and productivity of its workforce. An important aspect of that commitment is the Division's daily monitoring of the workplace environment and periodic analysis of the incidence and severity of occupational injuries and illnesses within the state. Every year the Division publishes its decision support data for the Legislature and interested parties in the form of the annual statistical report. In the first part of this section we report on many aspects of occupational injuries and illnesses in the state of Kansas for FY2002, including the causes, nature and source, industries and counties in which they occur and the body member implicated in the reported injuries and illnesses. Next, we briefly discuss the widely reported private industry injury incidence rates published by the federal Bureau of Labor Statistics (BLS) of the United States Department of Labor and the Kansas Department of Health and Environment (KDHE) and compare and contrast our calculated incidence rates for "non-federal" employment in the state of Kansas for the last 10 fiscal years with those of BLS.

Occupational Injuries and Illnesses in Kansas

In order to report more meaningful statistics on both the severity and incidence of occupational injuries and illnesses in the state of Kansas the Division of Workers Compensation has made several policy changes that impact our reporting. In previous annual statistical reports the Division calculated the statewide totals based on the date that the report of injury was processed administratively (internally), not by the date of injury. Since most consumers of our information interpreted the totals reported per fiscal year to be based on injury date rather than processing date the Division has re-calculated all aggregate totals and incidence rates for the previous ten years (fiscal) and published the results in this year's report. Second, during the past fiscal year the Division moved its injury and other data from a series of independent tables on a mainframe computer to a relational database on a client-server system. During the data conversion process the Division was able to purge its system of literally thousands of duplicate injury and illness reports. The enhancement of both the quality and the accuracy of the data represent an increase in its value as a public good, subsequently, the Division has re-calculated the aggregate totals and incidence rates to reflect these policy changes and is reported below.

Kansas classifies nonfatal occupational injuries, according to severity, as "no time lost," "time lost," and "hospitalized." "Time lost" injuries are those that "incapacitate the person injured from labor or service for more than the remainder of the day, shift or turn." "No time lost" injuries are defined as those in which the employee did not miss work beyond the remainder of the day, shift or turn. Injuries requiring "hospitalization" are reported as well as workplace injuries and illness resulting in death ("fatal"). In other words, the most severe types of occupational injury or illness are classified as "fatal" while the least severe are reported as "no time lost" cases. Table 2-1 contains the aggregate totals (by severity) of Kansas's occupational injuries and illnesses for the last 10 fiscal years.

- There were 72,825 occupational injuries and illnesses reported to the Division of Workers Compensation during FY2002. The FY2002 total, including fatalities, represents a decrease of more than 12,000 reported injuries and illnesses or a 14.3 percent decrease from last year's total.
- From another perspective slightly less than 200 employees per day were either injured or killed on the job in Kansas last fiscal year.
- Workplace fatalities, the most severe type of injury, increased 20 percent from the previous year (53 reported deaths) but were below the 10-year average of 59 reported cases.
- The 52,549 "no time lost" injuries and illnesses reported constitute 72.2 percent of all reported injuries and illnesses. "No time lost" injuries are down nearly 19 percent from the previous year's numbers.

- “Time lost” injuries and illnesses totaled 11,876, a 29 percent decrease from the previous year’s totals.
- Injuries and illnesses that required hospitalization (8,347) were up 133 percent from last fiscal year. A note of caution, the Division’s initial assessment of the increase in hospitalization cases is that the upward spike is more likely due to data coding mistakes than an increase in the severity of reported occupational injuries. This problem occurred in FY1998 and FY1999 as well. The incidence rates for FY1998 and FY1999 reflected coding difficulties at the point of entry to the Division’s mainframe and not a dramatic decrease in the time lost rate. Time lost injuries were coded as “hospitalized” cases and this is reflected in the hospitalization rate for FY1998 and FY1999.

One limitation of reported aggregate totals is that they do not account for year-to-year changes in the workforce population within Kansas. Perhaps the least sophisticated benchmark statistic for comparing year-to-year totals without controlling for workforce population increases/decreases would be to calculate the percentage of total injuries and illnesses that resulted in “no time lost,” “time lost,” “hospitalization” and in fatality. The rationale is that the state has an interest in knowing what percentage of total injuries and illnesses constitute the range of severity that either decrease productivity, endanger worker safety, disrupt labor participation or that result in death.

- In FY2002 72 percent of total injuries and illnesses classified as “no time lost,” down just under 4 percent from FY2001.
- The data in Table 2-2 show that the percentage of “no time lost” injuries, the least severe of the four categories, as a percentage of total injuries has increased by nearly 17 percent from FY1992.
- “Time lost” injuries accounted for roughly 16.3 percent of total injuries in FY2002 and this constitutes a decrease of over 26.2 percent from FY1992.
- As a percentage of total injuries and illnesses over the past ten fiscal years “no time lost” cases have increased by nearly 17 percent while “time lost” injuries have decreased by over 26 percent.
- Workplace fatalities have historically accounted for less than 1/10,000 of a percent of total injuries and illnesses.
- The percentage of “hospitalization” cases has historically hovered between two and 6 percent of total injuries with the notable exception of FY1998 (29 percent) and FY1999 (21 percent) and now FY2002 (11.5 percent) (see above).

Below we discuss the incidence rate per 100 full-time equivalent workers in order to do a fair year-to-year comparison of occupational injury and illness behavior in Kansas.

Table 2-1
Kansas Total Occupational Injuries & Illnesses by Severity
FY1992-FY2002

Year	No Time Lost Illnesses & Injuries	Time Lost Injuries & Illnesses	Injuries & Illnesses Requiring Hospitalization	Fatal Injuries	Total Injuries & Illnesses
FY1992	50,173	38,548	1,909	51	90,681
FY1993	50,232	45,638	2,211	48	98,129
FY1994	50,406	45,436	2,249	57	98,148
FY1995	52,473	39,474	2,556	67	94,570
FY1996	68,674	24,083	2,846	60	95,663
FY1997	73,415	17,688	6,532	64	97,699
FY1998	63,071	6,994	28,773	70	98,908
FY1999	68,995	6,651	20,023	61	95,730
FY2000	71,327	15,325	3,328	69	90,049
FY2001	64,533	16,788	3,580	44	84,945
FY2002	52,549	11,876	8,347	53	72,825

Source: Kansas Division of Workers Compensation

Table 2-2
Severity of Injury & Illness as Percentage of Total Injuries &
Illnesses FY1992-FY2002

Year	No Time Lost Illnesses & Injuries	Time Lost Injuries & Illnesses	Injuries & Illnesses Requiring Hospitalization	Fatal Injuries	Total Injuries & Illnesses
FY1992	0.553	0.425	0.021	0.000562	90,681
FY1993	0.512	0.465	0.023	0.000489	98,129
FY1994	0.514	0.463	0.023	0.000581	98,148
FY1995	0.555	0.417	0.027	0.000708	94,570
FY1996	0.718	0.252	0.030	0.000627	95,663
FY1997	0.751	0.181	0.067	0.000655	97,699
FY1998	0.638	0.071	0.291	0.000708	98,908
FY1999	0.721	0.069	0.209	0.000637	95,730
FY2000	0.792	0.170	0.037	0.000766	90,049
FY2001	0.760	0.198	0.042	0.000518	84,945
FY2002	0.722	0.163	0.115	0.000728	72,825

Source: Kansas Division of Workers Compensation

Occupational Injuries and Illnesses by County

- As expected, counties with the largest population totals report the greatest number of occupational injuries and illnesses (see Table 2-3).
- Kansas' largest city, Wichita, is located in Sedgwick County, which reported the most number of cases.

- Johnson County, part of metropolitan Kansas City, includes the second and fifth largest cities in Kansas (Overland Park and Olathe respectively) and reported the second largest number of total injuries and illnesses.
- 69 percent of the total injuries and illnesses reported in Sedgwick County and 75 percent of total cases from Johnson County resulted in no time lost from work. Shawnee County, which includes the capital of Topeka, had the third largest number of reported total cases.

The aggregate totals for all Kansas counties are listed in Table 2-11.

Table 2-3
Counties Reporting Greatest Number of Total Injuries & Illnesses FY2002

County	No Time Lost	Time Lost	Hospitalized	Fatal	Total Inj/Ill
SEDGWICK	8,619	2,096	1,694	9	12,418
JOHNSON	8,082	1,583	1,104	6	10,775
SHAWNEE	4,071	733	517	2	5,323
WYANDOTTE	3,262	756	493	5	4,516
UNKNOWN	1,600	312	403	2	2,317
DOUGLAS	1,627	404	239		2,270
SALINE	1,584	307	217	1	2,109
RENO	1,251	293	179		1,723
RILEY	1,128	260	148	1	1,537
OTHER STATE	1,016	283	184	6	1,489

Source: Kansas Division of Workers Compensation

Source of Occupational Injury and Illness

- The most frequent source of both total occupational injuries and illnesses and “no time lost” cases FY2002 were classified as “miscellaneous” (See Table 2-4).
- Interestingly enough, the Division cannot explain the most frequent source of “time lost” injuries (1,084) since no reason was supplied by the reporting entity.
- Other co-workers and boxes, barrels, containers continue to constitute a large source of total injuries and illnesses.

The aggregate totals for all types of sources of injury and illness are listed in Table 2-12.

Cause of Occupational Injury and Illness

- The physical act of lifting is the most frequent cause of occupational injury for “total injuries and illnesses,” “no time lost” and “time lost” cases (See Table 2-5).

- 20 percent of lifting injuries result in time lost for the injured worker.
- Injuries due to objects being lifted (14.1 percent) and/or the use of hand tools and utensils (14.9 percent) require hospitalization, the highest percentage of any of the Division's cause of injury categories.

The aggregate totals for all causes of injury and illness are listed in 2-13.

Table 2-4
Most Frequent Source of Occupational Injuries & Illnesses (by Total Inj/III) FY2002

Source of Injury & Illness	No Time Lost	Time Lost	Hospitalized	Fatal	Total Inj/III
MISC. (EARPLUGS, SHEETROCK ETC)	4,299	807	1,025		6,131
PERSON, OTHER THAN INJURED	4,283	722	463	2	5,470
BOXES, BARRELS, CONTAINERS, PKGS	3,543	773	479		4,795
BODILY MOTION	2,775	825	373		3,973
FURNITURE, FIXTURES, FURNISHINGS ETC	2,463	489	263		3,215
NO EXPLANATION	1,358	1,084	312	1	2,755
METAL ITEMS, UNS	1,616	237	359	2	2,214
PERSON, INJURED (HEART FAILURE, MENTAL)	1,368	363	223	26	1,980
BUILDINGS & STRUCTURES (WALLS, FENCES)	1,461	300	170		1,931
HAND TOOLS, NOT POWERED	1,446	229	222		1,897

Source: Kansas Division of Workers Compensation

Table 2-5
Most Frequent Cause of Occupational Injuries & Illnesses (by Total Inj/III) FY2002

Cause of Injuries & Illnesses	No Time Lost	Time Lost	Hospitalized	Fatal	Total Inj/III
LIFTING	5,748	1,676	773		8,197
OTHER INJURY (NOT OTHERWISE CLASSIFIED)	4,959	919	874	22	6,774
ON SAME LEVEL	3,214	733	467		4,414
OBJECT BEING LIFTED OR HANDLED	3,179	587	620	3	4,389
HAND TOOL, UTENSIL; NOT POWERED	2,477	308	480		3,265
REPETITIVE MOTION	2,389	500	269		3,158
FOREIGN BODY IN EYE	2,373	352	417		3,142
PUSHING OR PULLING	2,064	525	305		2,894
FALLING OR FLYING OBJECT	1,815	432	295	1	2,543
STRUCK BY OR INJURED BY MISC	2,008	281	236		2,525

Source: Kansas Division of Workers Compensation

Nature of Occupational Injury and Illness

- 15,556 reports of occupational injuries filed with the Division failed to include an explanation of the nature of the occupational injury or illness (See Table 2-6).
- Of the accident reports filed that did include an explanation, strains and lacerations are the two most common types of injuries reported (same as previous year).
- 70 percent of the reported strains and over 75 percent of reported lacerations did not result in lost work time

The aggregate totals for all natures of injury and illness are listed in 2-14.

Table 2-6
Most Frequent Nature of Occupational Injuries & Illnesses (by Total Inj/III) FY2002

Nature of Illnesses & Injuries	No Time Lost	Time Lost	Hospitalized	Fatal	Total Inj/III
NO EXPLANATION	11,233	2,391	1,921	11	15,556
STRAIN	8,608	2,521	1,114		12,243
LACERATION	7,705	1,070	1,429		10,204
CONTUSION	4,868	884	625	1	6,378
ALL OTHER	4,410	1,143	320	7	5,880
ALL OTHER CUMULATIVE INJURIES	2,277	620	534	13	3,444
PUNCTURE	2,453	231	359	1	3,044
FOREIGN BODY	2,210	346	427		2,983
SPRAIN	1,839	627	291	2	2,759
INFLAMMATION	1,772	345	308		2,425

Source: Kansas Division of Workers Compensation

Body Member Associated with Occupational Injury and Illness

Table 27 lists the body member most frequently associated with reported occupational injuries and illnesses for FY2002.

- Injuries and illnesses involving multiple body parts constitute the greatest number of total reported cases.
- In cases where a single body part is implicated a worker's finger were most often reported as the injured body member.
- Of cases involving fingers, just over 76 percent result in no lost time while only 10.7 percent require time away from work. In contrast, 68.4 percent of injuries involving the low back are "no time lost" cases while just under 22 percent result in time lost for the worker.

The aggregate totals for all body members associated with injury and illness are listed in 2-15.

Table 2-7
Body Member Most Frequently Associated with Occupational
Injuries & Illnesses (by Total Inj/III) FY2002

Body Member	No Time Lost	Time Lost	Hospitalized	Fatal	Total Inj/III
MULT. BODY PARTS	6,742	1,695	1,108	26	9,571
FINGER(S)	5,905	831	1,012		7,748
LOW BACK(LUMBAR,LUMBO-SACRAL)	4,970	1,592	700		7,262
HAND	3,406	553	503		4,462
KNEE	3,179	854	412		4,445
EYE(S)	3,168	493	569		4,230
MULT. UPPER EXTREMS.	2,821	604	571		3,996
WRIST	2,283	447	331		3,061
THUMB	1,966	293	333		2,592
ANKLE	1,559	529	255		2,343

Source: Kansas Division of Workers Compensation

Industries with Greatest Number of Total Occupational Injuries and Illnesses

Table 2-8 lists the industries in Kansas that reported the greatest number of total occupational injuries and illnesses to the Division of Workers Compensation over the past fiscal year.

- The health services sector ranks first (of classifiable accidents) for FY2002, however, of the reported injuries and illnesses 79 percent were “no time lost” cases while only 12.5 percent constituted “time lost” cases.
- The educational services industry reported the second largest number of total injuries and illnesses and similar to health services some 89 percent were no lost time cases while only 12.4 percent resulted in an interruption in employment.
- The third ranked industry, state and local government, reported 3,866 total cases but had a slightly smaller percentage of “no time lost” injuries and illnesses (74 percent).
- Of the industries listed in Table 2-8 six- the public sector, health services, educational services, business services, eating and drinking places and general merchandising stores are service oriented and tend to be more labor intensive than traditional manufacturing. We would expect that more injuries and illnesses would be associated with industries employing large numbers of Kansans and the top six ranked industries for FY2002 seem to confirm this preliminary observation.

The aggregate totals for all industries are listed in Table 2-16.

Table 2-8
Industries with Greatest Number of Total Occupational Injuries & Illnesses FY2002

Industry	No Time Lost	Time Lost	Hospitalized	Fatal	Total Inj/III
Nonclassifiable Establishments	8,546	1,824	1,363	10	11,743
Health Services	6,424	1,018	688		8,130
Educational Services	3,474	547	382		4,403
Executive, Legislative, & General Government	2,862	594	406	4	3,866
Food and Kindred Products	2,308	718	482		3,508
Eating and Drinking Places	2,228	555	305	2	3,090
Business Services	2,062	574	376	1	3,013
Construction - Special Trade Contractors	1,684	608	343	2	2,637
Motor Freight Transportation and Warehousing	1,659	370	329	12	2,370
General Merchandise Stores	1,429	519	210	1	2,159

Source: Kansas Division of Workers Compensation

Table 2-9
Occupational Injuries & Illnesses by Gender FY2002

Gender	No Time Lost	Time Lost	Hospitalized	Fatal	Total Inj/III
Female	21,400	4,346	2,732	1	28,479
Male	30,395	7,326	5,258	52	43,031
No Designation	753	204	357		1,314

Source: Kansas Division of Workers Compensation

Table 2-10
Occupational Injuries & Illnesses by Age FY2002

Age	No Time Lost	Time Lost	Hospitalized	Fatal	Total Inj/III
Unknown	43,020	9,289	2,015	40	54,364
19 & Under	605	164	349		1,118
20-29	2,396	725	1,657	2	4,780
30-39	2,416	633	1,620	3	4,672
40-49	2,379	636	1,592	1	4,608
50-59	1,340	331	886	4	2,561
60-69	336	86	198	3	623
70-79	51	18	18		87
80 & Above	5	2	4		11

Source: Kansas Division of Workers Compensation

Age and Gender Characteristics of Injured Workers

Tables 2-9 and 2-10 list the age and gender characteristics of injured workers for FY2002

- Men outnumber women for incidence of total occupational injuries and illnesses for FY2002 by 14,552 reported cases (see Table 2-9).
- However, as a percentage of total injuries men and women report a similar percentage of cases resulting in no lost time, 75 percent for women and 70 percent for men.
- The percentage of “time lost” cases for women numbered 15.3 percent while the percentage for men was slightly higher at 17 percent.
- Workers ages 20-29 (4,780) and 30-39 (4,672) report the greatest total number of injuries and illnesses to the Division of Workers Compensation for FY2002 (see Table 2-10). The 40-49 age stratum reported 4,608 injuries and illnesses, third most for the fiscal year. The largest category, unknown, reflects coding decisions made by the Division in response to an administrative backlog of accident reports at the point of entry to the database.

Table 2-11
Location (County) of Occupational Injuries & Illnesses
by Severity FY2002

Kansas County	No Time Lost	Time Lost	Hospitalized	Fatal	Total Inj/Ill
ALLEN	314	52	29		395
ANDERSON	84	27	13		124
ATCHISON	433	67	66		566
BARBER	77	31	15		123
BARTON	471	108	63	1	643
BOURBON	349	84	65		498
BROWN	250	24	16		290
BUTLER	709	177	101	1	988
CHASE	27	4	2		33
CHAUTAUQUA	30	19	6		55
CHEROKEE	212	46	46	2	306
CHEYENNE	19	9	4		32
CLARK	61	12	8		81
CLAY	145	37	12	1	195
CLOUD	163	38	36		237
COFFEY	172	27	21		220
COMANCHE	25	9	11		45
COWLEY	760	160	115	1	1,036
CRAWFORD	774	144	122	3	1,043
DECATUR	55	15	10		80
DICKINSON	450	92	55		597
DONIPHAN	85	38	14		137
DOUGLAS	1,627	404	239		2,270
EDWARDS	53	10	13		76
ELK	46	8	1		55
ELLIS	576	107	79		762
ELLSWORTH	178	32	13	1	224
FINNEY	795	269	176		1,240
FORD	864	183	139		1,186
FRANKLIN	401	104	81	1	587
GEARY	736	182	106	2	1,026
GOVE	58	11	7		76
GRAHAM	45	12	4		61
GRANT	100	22	30		152
GRAY	52	22	14		88
GREELEY	25	8	6		39
GREENWOOD	94	29	20		143
HAMILTON	46	11	11		68
HARPER	145	38	31		214
HARVEY	553	148	117		818
HASKELL	66	18	15		99

Source: Kansas Division of Workers Compensation

Table 2-11 continued
Location (County) of Occupational Injuries & Illnesses
by Severity FY2002

Kansas County	No Time Lost	Time Lost	Hospitalized	Fatal	Total Inj/Ill
HODGEMAN	28	5	7		40
JACKSON	357	53	36		446
JEFFERSON	110	34	14		158
JEWELL	22	13			35
JOHNSON	8,082	1,583	1,104	6	10,775
KEARNY	42	8	11		61
KINGMAN	83	21	14		118
KIOWA	36	8	6		50
LABETTE	606	121	94		821
LANE	31	15	10		56
LEAVENWORTH	696	188	86		970
LINCOLN	60	14	8		82
LINN	69	35	6		110
LOGAN	53	13	7		73
LYON	787	337	161		1,285
MARION	178	34	25		237
MARSHALL	245	38	29		312
MCPHERSON	598	132	101	1	832
MEADE	44	11	8	1	64
MIAMI	532	130	44		706
MITCHELL	110	28	10		148
MONTGOMERY	819	187	141		1,147
MORRIS	48	14	9		71
MORTON	58	8	11	1	78
NEMAHA	155	27	13		195
NEOSHO	467	86	44	2	599
NESS	33	8	8		49
NORTON	65	34	16		115
OSAGE	85	20	14		119
OSBORNE	59	14	17		90
OTHER STATE	1016	283	184	6	1,489
OTTAWA	64	24	7		95
PAWNEE	200	49	25		274
PHILLIPS	38	23	12		73
POTTAWATOMIE	247	48	28		323
PRATT	199	45	20	1	265
RAWLINS	28	10	1		39
RENO	1,251	293	179		1,723
REPUBLIC	75	17	10		102
RICE	119	37	20		176

Source: Kansas Division of Workers Compensation

Table 2-11 continued
Location (County) of Occupational Injuries & Illnesses
by Severity FY2002

Kansas County	No time Lost	Time Lost	Hospitalized	Fatal	Total Inj/Ill
RILEY	1,128	260	148	1	1,537
ROOKS	126	18	15		159
RUSH	89	12	5		106
RUSSELL	112	21	19	1	153
SALINE	1,584	307	217	1	2,109
SCOTT	89	23	19		131
SEDGWICK	8,619	2,096	1,694	9	12,418
SEWARD	630	140	130		900
SHAWNEE	4,071	733	517	2	5,323
SHERIDAN	22	9	10		41
SHERMAN	112	19	11		142
SMITH	73	15	7		95
STAFFORD	47	18	12		77
STANTON	27	7	9		43
STEVENS	68	21	12		101
SUMNER	281	55	55		391
THOMAS	172	48	24		244
TREGO	38	14	11		63
UNKNOWN	1,600	312	403	2	2,317
WABAUNSEE	42	12	8		62
WALLACE	15	3	5	1	24
WASHINGTON	72	17	7		96
WICHITA	53	11	4		68
WILSON	249	55	39		343
WOODSON	47	8	1		56
WYANDOTTE	3,262	756	493	5	4,516

Source: Kansas Division of Workers Compensation

Table 2-12
Source of Occupational Injuries & Illnesses by Severity FY2002

Source of Injury & Illness	No Time Lost	Time Lost	Hospitalized	Fatal	Total Inj/Ill
AIR PRESSURE	60	7	2		69
AIRCRAFT	46	8	28		82
ANIMAL PRODUCTS	247	100	72		419
ANIMALS, INSECTS, ETC, UNS	993	160	217	1	1,371
BLOOD	199	14	16		229
BOAT OR SHIP	17	3	3		23
BODILY MOTION	2,775	825	373		3,973
BOILERS, PRESSURE VESSELS	18	5			23
BOTTLES, JUGS, FLASKS, ETC	147	30	29		206
BOXES, BARRELS, CONTAINERS, PACKAGES	3,543	773	479		4,795
BUILDINGS & STRUCTURES (WALLS, FENCES)	1,461	300	170		1,931
CERAMIC ITEMS (BRICK, CHINA, TILE ETC)	56	7	6		69
CHEMICALS	859	168	159		1,186
CLOTHING, APPAREL, SHOES	164	34	18		216
COAL AND PETROLEUM PRODUCTS	76	22	26	1	125
COLD (ATMOSPHERIC, ENVIRONMENTAL)	10	5			15
CONVEYERS	170	48	38		256
DRUGS AND MEDICINES	13	6	2		21
EARTHMOVING & HIWAY CONSTR. MACHINES	96	41	13	1	151
ELECTRIC APPARATUS (HOUSEHOLD APPLIANCE)	542	126	111	5	784
FLAME, FIRE, SMOKE	126	28	27		181
FLOOR	1,271	300	219		1,790
FOOD PRODUCTS (COOKING OIL)	436	111	38		585
FORKLIFTS, STACKERS (POWERED VEHICLES)	255	80	37		372
FUMES - (GAS, PAINT)	78	21	13		112
FURNITURE, FIXTURES, FURNISHINGS ETC	2,463	489	263		3,215
GLASS ITEMS (FIBERGLASS, SEE ALSO 650)	508	49	86		643
GROUND OUTDOORS	613	183	84	1	881
HAND TOOLS, NOT POWERED	1,446	229	222		1,897
HAND TOOLS, POWERED	899	239	189		1,327
HANDTRUCKS,DOLLIES (NON POWERED VEHICLE)	773	184	122		1,079
HEAT, ENVIRONMENTAL	107	47	60		214
HEATING EQUIPMENT (FURNACES, STOVES ETC)	130	23	5		158
HIGHWAY VEHICLES	397	169	45		611
HOISTING APPARATUS	155	53	44		252
ICE, SNOW	1,014	261	24	1	1,300
INFECTIOUS, PARASITIC AGENTS (BACTERIA)	330	22	34		386
KNIFE OR RAZOR	1,404	176	296		1,876
LADDERS	497	209	102		808
LIQUIDS (WATER, LIQUIDS NEC)	842	222	59		1,123
MACHINES, UNS	1,166	287	194		1,647
METAL CHIPS, SPLINTERS, PARTICLES	743	121	101		965
METAL FASTENERS (BOLTS, NAILS, SCREWS)	568	77	115		760
METAL ITEMS, UNS	1,616	237	359	2	2,214
METAL PARTS (EXCEPT AUTO, UNASSEMBLED)	451	126	11		588
MINERAL ITEMS (CLAY, SAND, GRAVEL STONE)	574	138	95	1	808
MISCELLANEOUS (EARPLUGS, SHEETROCK ETC)	4,299	807	1,025		6,131

Source: Kansas Division of Workers Compensation

Table 2-12 continued
Source of Occupational Injuries & Illnesses by Severity FY2002

Source of Injury & Illness	No Time Lost	Time Lost	Hospitalized	Fatal	Total Inj/Ill
MULTIPLE SOURCES OF INJURY	1,132	194	258		1,584
NEEDLES	1,010	31	93		1,134
NO EXPLANATION	1,358	1,084	312	1	2,755
NOISE	59	5	8		72
NONCLASSIFIABLE	186	59	4		249
OFFICE MACHINES	670	83	64		817
PALLETS, SKIDS	476	122	77		675
PAPER AND PULP ITEMS	252	40	36		328
PARTICLES - UNIDENTIFIED	907	66	249		1,222
PERSON, INJURED (HEART FAILURE, MENTAL)	1,368	363	223	26	1,980
PERSON, OTHER THAN INJURED	4,283	722	463	2	5,470
PIPE AND FITTINGS	322	97	67	1	487
PIT	108	52	12		172
PLANT OR INDUSTRIAL VEHICLES	87	23	24		134
PLANTS, TREES, VEGETATION	523	99	77		699
PLASTIC ITEMS	151	33	16		200
POTS, PANS, DISHES, TRAYS	388	70	31		489
PRINTING MACHINES	16	6	1		23
PUMPS & PRIME MOVERS (ENGINES, TURBINES)	111	26	20		157
RADIATING SUBSTANCES (ISOTOPES,SUN,XRAY)	17	5	2		24
RAIL VEHICLES (TRAIN)	27	6	1	2	36
RAMPS	80	21	9	1	111
RECREATION AND ATHLETIC EQUIPMENT	180	35	15		230
ROOFS	45	15	14	1	75
RUBBER PRODUCTS	394	92	55	1	542
RUNWAYS, PLATFORMS	79	21	17		117
SAWS (NOT HAND TOOLS)	93	37	13		143
SCRAP, DEBRIS, WASTE MATERIALS (SLAG)	271	69	23		363
SHEARS, SLITTERS, SLICERS	385	62	63		510
SIDEWALKS, PATHS, WALKWAYS (OUTDOORS)	396	98	49		543
STAIRS, STEPS INCLUDE ESCALATORS	793	211	121		1,125
STEAM	71	10	13		94
STITCHING, SEWING MACHINES	26	5			31
STREET, ROAD	37	12			49
TEXTILE ITEMS	53	21	2		76
UNUSED	1	2	1		4
VEHICLES, UNS	1,037	274	217	5	1,533
WOOD ITEMS	354	106	57		517
WOOD ITEMS, NEC	149	29	9		187

Source: Kansas Division of Workers Compensation

Table 2-13
Cause of Occupational Injuries & Illnesses by Severity FY2002

Cause of Injuries & Illnesses	No Time Lost	Time Lost	Hospitalized	Fatal	Total Inj/Ill
ACID CHEMICALS	290	79	84		453
ANIMAL OR INSECT	703	118	188		1,009
BODILY REACTION (IMPOSED STRESS/STRAIN)		1			1
BROKEN GLASS	351	40	62		453
BURN OR SCALD(HEAT/COLD EXPOSURE)	710	101	141	1	953
CAUGHT IN OR BETWEEN MISCELLANEOUS	1,318	236	205		1,759
COLLISION WITH A FIXED OBJECT	45	10	10		65
COLLISION WITH ANOTHER VEHICLE	474	155	116	9	754
CONTACT WITH ELECTRIC CURRENT	93	20	18	5	136
CONTACT WITH HOT OBJECT	337	62	34		433
CUMULATIVE INJURY (NOT CLASSIFIED)	1,490	326	365	1	2,182
CUT, PUNCTURE, SCRAPE INJURED BY MISC	2,045	269	184		2,498
DUST, GASES, FUMES OR VAPORS	291	40	32		363
EXPLOSION OR FLARE BACK	16	14	8		38
FALL OR SLIP INJURY MISCELLANEOUS	1,243	416	168		1,827
FALL, ON STAIRS		1			1
FALL, ONTO OR AGAINST OBJECTS	6				6
FALL, SAME LEVEL	1				1
FALL, SLIP OR TRIP INJURY ON STAIRS	5	3	2		10
FALL, SLIP, OR TRIP INJURY ON ICE/SNOW	7	6			13
FALLING OR FLYING OBJECT	1,815	432	295	1	2,543
FIRE OR FLAME	58	20	18		96
FOREIGN BODY IN EYE	2,373	352	417		3,142
FROM DIFFERENT LEVEL	1,244	486	191	2	1,923
FROM LIQUID OR GREASE SPILLS	1,269	358	137		1,764
HAND TOOL OR MACHINE IN USE	344	83	55		482
HAND TOOL, UTENSIL; NOT POWERED	2,477	308	480		3,265
HOLDING OR CARRYING	735	223	70	1	1,029
JUMPING	137	62	31		230
LADDER OR SCAFFOLDING	297	153	58		508
LIFTING	5,748	1,676	773		8,197
LIFTING OBJECTS (LIFTING, PULLING, LOADING)	1				1
MACHINE OR MACHINERY	391	121	93		605
MOTOR VEHICLE	67	26	10	1	104
MOTOR VEHICLE MISCELLANEOUS	153	53	19	1	226
MOVING PARTS OF MACHINE	168	50	16		234
MULTIPLE CAUSES OF INJURY	3				3
NO EXPLANATION	323	97	5		425
NONCLASSIFIABLE - UNKNOWN	1	50	3		54
OBJECT BEING LIFTED OR HANDLED	3,179	587	620	3	4,389
OBJECT HANDLED	413	81	53		547
OBJECT HANDLED BY OTHERS	300	55	34		389
ON SAME LEVEL	3,214	733	467		4,414
OTHER INJURY (NOT OTHERWISE CLASSIFIED)	4,959	919	874	22	6,774
POWERED HAND TOOL, APPLIANCE	549	180	145		874
PUSHING OR PULLING	2,064	525	305		2,894
RADIATION	9	1			10

Source: Kansas Division of Workers Compensation

Table 2-13 continued
Cause of Occupational Injuries & Illnesses by Severity FY2002

Cause of Injuries & Illnesses	No Time Lost	Time Lost	Hospitalized	Fatal	Total Inj/III
REACHING	482	115	65		662
REPETITIVE MOTION	2,389	500	269		3,158
ROBBERY OR CRIMINAL ASSAULT	190	37	9	1	237
SANDING, SCRAPING, CLEANING OPERATIONS	129	11	49		189
SLIPPED, DID NOT FALL	649	144	72		865
STATIONARY OBJECT	1,568	247	184		1,999
STEAM OR HOT FLUIDS	366	67	47		480
STEPPING ON SHARP OBJECT	120	14	20		154
STRAIN OR INJURY BY MISCELLANEOUS	1,427	502	261		2,190
STRIKING AGAINST/STEPPING ON MISC	801	180	190		1,171
STRUCK AGAINST (STEPPING ON OBJECTS)	5		1		6
STRUCK BY OR INJURED BY MISC	2,008	281	236		2,525
TEMPERATURE EXTREMES	109	27	50		186
USING TOOL OR MACHINE	352	121	39	1	513
VEHICLE UPSET	126	71	45	4	246
WELDING OPERATIONS	111	31	24		166

Source: Kansas Division of Workers Compensation

Table 2-14
Nature of Occupational Injuries & Illnesses by Severity FY2002

Nature of Illnesses & Injuries	No Time Lost	Time Lost	Hospitalized	Fatal	Total Inj/III
AIDS	2	1	2		5
ALL OTHER	4,410	1,143	320	7	5,880
ALL OTHER CUMULATIVE INJURIES	2,277	620	534	13	3,444
ALL OTHER OCCUPATIONAL DISEASE	58	7	1		66
AMPUTATION	37	37	25		99
ANGINA PECTORIS (COND. ASSOC. WITH HEART DISEASE)		1	5		6
ASBESTOSIS	17				17
ASPHYXIATION	8	7			15
BLACK LUNG	1	1			2
BURN	1,232	277	180		1,689
BYSSINOSIS	12		7	1	20
CARPAL TUNNEL SYNDROME	512	100	33		645
CONCUSSION	77	36	24		137
CONTAGIOUS DISEASE	65	11	15		91
CONTUSION	4,868	884	625	1	6,378
CRUSHING	341	103	41		485
DERMATITIS	480	75	82		637
DERMATITIS - CEMENT, RUBBER, POISON IVY		1			1
DISLOCATION	164	74	31		269
DUST DISEASE NOC (ALL OTHER PNEUMOCONIOSIS)	5				5
ELECTRIC SHOCK	70	16	11	5	102

Source: Kansas Division of Workers Compensation

Table 2-14 continued
Nature of Occupational Injuries & Illnesses by Severity FY2002

Nature of Illnesses & Injuries	No Time Lost	Time Lost	Hospitalized	Fatal	Total Inj/III
ENUCLEATION (TO REMOVE, EX: TUMOR, EYE, ETC.)	7				7
FOREIGN BODY	2,210	346	427		2,983
FRACTURE	1,066	555	288		1,909
FREEZING	6	1			7
HEARING LOSS (TRAUMATIC ONLY)	45	4	4		53
HEART CONDITIONS (HEART ATTACK)	1				1
HEAT PROSTRATION	94	48	45		187
HERNIA	180	106	44		330
INFECTION	109	31	37		177
INFLAMMATION	1,772	345	308		2,425
LACERATION	7,705	1,070	1,429		10,204
LOSS OF HEARING	10	2	3		15
MENTAL DISORDER	4	2	2		8
MENTAL STRESS	19	10	5		34
MULTIPLE INJURIES		1			1
MULTIPLE TYPES OF INJURY	133	68	39	1	241
MYOCARDIAL INFARCTION (HEART ATTACK)	11	9	17	11	48
NO EXPLANATION	11,233	2,391	1,921	11	15,556
NO INJURY OR ILLNESS	1				1
NONCLASSIFIABLE	3	1	1		5
OTHER INJURIES	2		1		3
POISONING-CHEMICAL	37	6	5		48
POISONING-METAL			1		1
PUNCTURE	2,453	231	359	1	3,044
RADIATION	6				6
RESPIRATORY DISORDERS (GASES,FUMES,CHEMICALS,ETC)	287	63	42		392
RUPTURE	33	22	16		71
SEVERANCE	25	16	7		48
SPRAIN	1,839	627	291	2	2,759
SPRAINS, STRAINS	2				2
STRAIN	8,608	2,521	1,114		12,243
VASCULAR LOSS	2	3	3		8
VDT-RELATED DISEASE			1		1
VISION LOSS	7	3	1		11

Source: Kansas Division of Workers Compensation

Table 2-15
Body Member Reported in Occupational Injuries & Illnesses by
Severity FY2002

Body Member	No Time Lost	Time Lost	Hospitalized	Fatal	Total Inj/III
ANKLE	1,559	529	255		2,343
BODY PARTS, NEC	1				1
BRAIN	14	3	3		20
CHEST(INC:RIBS, STERNUM)	658	190	130	1	979
DISC	45	15	8		68
EAR(S)	211	22	25		258
ELBOW	1,055	213	174		1,442
EYE(S)	3,168	493	569		4,230
FACIAL BONES	76	14	8		98
FINGER(S)	5,905	831	1,012		7,748
FOOT	1,356	353	214		1,923
HAND	3,406	553	503		4,462
HEART	20	9	14	12	55
HIP	340	72	54		466
INTERNAL ORGANS	174	77	37		288
KNEE	3,179	854	412		4,445
LARYNX	6	2	1		9
LOW BACK(LUMBAR,LUMBO-SACRAL)	4,970	1,592	700		7,262
LOWER ARM	1,311	218	230		1,759
LOWER LEG	601	149	104		854
MOUTH	178	19	23		220
MULT. INJURY	112	33	25		170
MULT. UPPER EXTREMS.	2,821	604	571		3,996
MULT. BODY PARTS	6,742	1,695	1,108	26	9,571
MULT. HEAD INJURY	460	121	62		643
MULT. LOWER EXTREMS.	1,542	394	310	2	2,248
MULT. MEMBERS INJURED	1				1
MULTIPLE TRUNK	1,227	468	205		1,900
NECK	1	1			2
NO EXPLANATION	1,302	225	182	11	1,720
NO PHYSICAL INJURY		3			3
NONCLASSIFIABLE-UNKNOWN	2	20	3		25
NOSE	142	16	30		188
OTHER FACIAL SOFT TISSUE	667	85	108		860
PELVIS	53	30	4		87
SACRUM AND COCCYX	34	17	8		59
SHOULDER(S)	1,404	405	34		1,843
SKULL	902	163	147	1	1,213
SOFT TISSUE	311	59	52		422
SPINAL CORD	13	7	2		22
TEETH	166	18	21		205
THIGH	191	55	23		269
THUMB	1,966	293	333		2,592
TOE(S)	365	92	62		519
TRACHEA	9	4	1		14
UPPER ARM	1,236	291	216		1,743
UPPER BACK AREA	356	119	31		506
VERTEBRAE	7	3	2		12
WRIST	2,283	447	331		3,061

Source: Kansas Division of Workers Compensation

Table 2-16
Industries Reporting Occupational Injuries & Illnesses by Severity FY2002

Industry	No Time Lost	Time Lost	Hospitalized	Fatal	Total Inj/Ill
Administration of Economic Programs	18	4	3		25
Administration of Environmental Quality and Housing Programs	30	4	4		38
Administration of Human Resource Programs	26	8	4		38
Agricultural Production-Crops	36	7	16		59
Agricultural Production-Livestock and Animal Specialties	218	78	62	1	359
Agricultural Services	278	78	66		422
Amusement and Recreation Services	534	69	46		649
Apparel and Accessory Stores	140	31	13		184
Apparel and Other Finished Products Made From Fabrics and Similar Materials	58	15	10		83
Automotive Dealers and Gasoline Service Stations	1,205	202	183	1	1,591
Automotive Repair, Services, and Parking	314	84	51		449
Building Construction - General Contractors and Operative Builder	918	276	159		1,353
Building Materials, Hardware, Garden Supply, and Mobile Home Dealers	375	80	61	1	517
Business Services	2,062	574	376	1	3,013
Chemicals and Allied Products	181	31	45		257
Coal Mining	8		1		9
Communications	260	49	27		336
Construction - Special Trade Contractors	1,684	608	343	2	2,637
Depository Institutions	134	16	17		167
Eating and Drinking Places	2,228	555	305	2	3,090
Educational Services	3,474	547	382		4,403
Electric, Gas, and Sanitary Services	679	102	83	2	866
Electronic and Other Electrical Equipment and Components, Except Computer Equipment	316	63	45		424
Engineering, Accounting, Research, Management, and Related Services	218	40	31		289
Executive, Legislative, and General Government, Except Finance	2,862	594	406	4	3,866
Fabricated Metal Products, Except Machinery and Transportation Equipment	659	125	162		946
Fishing, Hunting, And Trapping	3	1	3		7
Food and Kindred Products	2,308	718	482		3,508
Food Stores	1,408	304	208	1	1,921
Forestry	3				3
Furniture and Fixtures	130	32	10		172
General Merchandise Stores	1,429	519	210	1	2,159
Health Services	6,424	1,018	688		8,130
Heavy Construction Other Than Building Construction - Contractors	386	119	114	1	620
Holding and Other Investment Offices	24	4	2		30
Home Furniture, Furnishings, and Equipment Stores	216	61	34		311
Hotels, Rooming Houses, Camps, and Other Lodging Places	247	68	28		343
Industrial and Commercial Machinery and Computer Equipment	1,182	215	177	1	1,575
Insurance Agents, Brokers, and Service	69	9	4		82
Insurance Carriers	160	23	17		200
Justice, Public Order, and Safety	70	25	11	1	107
Leather and Leather Products	5				5
Legal Services	31	7	10		48
Local and Suburban Transit and Interurban Highway Passenger Transportation	50	18	11		79
Lumber and Wood Products, Except Furniture	285	98	61		444
Measuring, Analyzing, and Controlling Instruments; Photographic, Medical and Scientific Equipment	107	9	15		131
Membership Organizations	207	51	54		312
Mining and Quarrying of Nonmetallic Minerals, Except Fuels	41	9	8	1	59

Source: Kansas Division of Workers Compensation

Table 2-16 continued
Industries Reporting Occupational Injuries & Illnesses by Severity FY2002

Industry	No Time Lost	Time Lost	Hospitalized	Fatal	Total Inj/III
Miscellaneous Manufacturing Industries	138	42	28		208
Miscellaneous Repair Services	170	47	28		245
Miscellaneous Retail	614	105	80		799
Motion Pictures	75	11	3		89
Motor Freight Transportation and Warehousing	1,659	370	329	12	2,370
Museums, Art Galleries, and Botanical and Zoological Gardens	13	3	1		17
Nonclassifiable Establishments	8,546	1,824	1,363	10	11,743
Nondepository Credit Institutions	18	3	3		24
Oil and Gas Extraction	230	84	66	4	384
Paper and Allied Products	241	42	35		318
Personal Services	146	45	24		215
Petroleum Refining and Related Industries	79	19	8		106
Pipelines, Except Natural Gas	11	1	2		14
Primary Metal Industries	319	32	62		413
Printing, Publishing, and Allied Industries	616	124	115		855
Private Households	38	5	10		53
Public Finance, Taxation, and Monetary Policy	3				3
Railroad Transportation	2	1			3
Real Estate	373	75	46	1	495
Rubber and Miscellaneous Plastics Products	385	84	66		535
Security and Commodity Brokers, Dealers, Exchanges, and Services	27	7	1		35
Services, Not Elsewhere Classified	141	33	24		198
Social Services	1,145	207	178		1,530
Stone, Clay, Glass, and Concrete Products	307	76	82		465
Textile Mill Products	39	8	5		52
Tobacco Products	3				3
Transportation by Air	120	37	17		174
Transportation Equipment	964	436	291	2	1,693
Transportation Services	92	11	7	1	111
United States Postal Service	1	3	2		6
Unknown	27	2	8		37
Water Transportation	4		1		5
Wholesale Trade - Durable Goods	1,303	272	247	1	1,823
Wholesale Trade - Nondurable Goods	999	319	167	2	1,487

Source: Kansas Division of Workers Compensation

Kansas Occupational Injury and Illness Incidence Rates

Statewide Non-Federal Occupational Injury and Illness Incidence Rate

There are two sources of occupational injury and illness data reported in this section. The Survey of Occupational Injuries and Illnesses is a Federal/State program administered by the United States Department of Labor's Bureau of Labor Statistics (BLS) and cooperating state agencies throughout the nation. In Kansas the cooperating state agency that helps administer the survey is the Department of Health and Environment (KDHE). The annual survey measures the incidence rates of workplace injuries and illnesses for the nation as a whole, for each participating state, as well as case and injured worker demographic data (see Appendix A). The Division of Workers Compensation does not directly participate in the BLS survey but is an active consumer of its information. The Division believes that the private sector incidence rates provided by BLS and KDHE help augment both our annual report and our statutory obligation to monitor the workplace injuries and illnesses in the state for health and safety purposes.

However, the Division does believe that it can contribute to the discourse on workplace injury incidence rates in Kansas for several reasons. First, employers covered under the Workers Compensation Act are required to report all employee occupational injuries and illnesses to the Division within 28 days of the date of injury or onset of illness. The Division has aggregated and reported this data in its annual statistical report for many years but has never published its calculated rates of incidence per 100 full-time equivalent employees until FY2001. For only the second time, we report our own calculated occupational injury incidence rates (see Appendix A for methodology). Second, the Division does have an institutional advantage (relative to BLS and KDHE) in that it, by law, is able to collect data on the entire population of workplace injuries and illnesses in Kansas because it has the legal authority to collect injury data on state and local public sector employees in addition to the private sector.¹ This is important because the state and local public sector workforce is one of the largest employers in Kansas and reports a significant percentage of the total workplace injuries and illnesses each year. Finally, it should be noted that the Division of Workers Compensation is able to publish its occupational injury statistics in a timelier manner than both BLS and KDHE. In this report we publish incidence rates for all employers covered under the Workers Compensation Act through fiscal year 2002 (up to and including June 30, 2002) whereas the most recent data available from BLS is through calendar year 2000 (as of time of printing) and from KDHE through calendar year 2000. We may be able to identify injury and illness trends more quickly and use this in-house information as a basis for targeting resources, through our Industrial Safety and Health Section, for injury prevention and/or safety education.

While it is true that there is no absolute acceptable level of injury incidence, relatively speaking, the lower the rate of injury the better. An important question is how should the average Kansan interpret the "Total Injuries and Illnesses" incidence rate? For example, if the incidence rate for total injuries and illnesses for

¹ Under its commerce power granted by the Federal Constitution, and as interpreted by the United States Supreme Court (See *U.S. v. Lopez*, 514 U.S. 558-559 (1995); "three broad categories of activity that Congress may regulate under its commerce power...Congress may regulate the use of the channels of interstate commerce...Congress is empowered to regulate and protect the instrumentalities of interstate commerce, or persons or things in interstate commerce, even though the threat may come only from intrastate activities...Congress' commerce authority includes the power to regulate those activities having a substantial relation to interstate commerce,...i.e., those activities that substantially affect interstate commerce."), the federal government can require employers to log all occupational injuries and illnesses and report them to BLS and/or OSHA. The Federal Constitution, however, does not give Congress the authority to regulate the states (and its political subdivisions) as states and therefore, compel them to report the workplace injuries of state and local public servants to the Bureau of Labor Statistics.

Kansas for any given year were 5.3 injuries per 100 full-time workers would it be reasonable to conclude that roughly 5 percent of full-time workers suffered some sort of occupational injury that year? We believe that this would be a fair interpretation provided that we assume each worker within this 5.3 percent was injured only once during the year under study. In other words, for every one hundred full-time private sector workers in Kansas there were 5.3 injuries reported that year for our hypothetical example. If consumers of this information would want to know what occupations in Kansas are more at risk for injury than others then the total injury and illness incidence rate would not provide that information. They would need to consult the industry cluster estimates of injury incidence provided annually by the Kansas Department of Health and Environment or the non-federal incidence rates reported in the Kansas Division of Workers Compensation Annual Statistical Report.

The BLS measures of “Total Lost Workday Cases” and “Cases Without Lost Workdays” are similar to measures reported by the Division of Workers Compensation in past annual statistical reports (See below). Under the Kansas Workers Compensation Act, employers are required to report to the Division:

[I]f the personal injuries which are sustained by such accidents, are sufficient wholly or partially to incapacitate the person injured from labor or service for more than the remainder of the day, shift or turn on which such injuries were sustained.²

The Division classifies nonfatal occupational injuries as “lost time,” “no lost time,” and “hospitalized.” “Lost time” injuries are those that “incapacitate the person injured from labor or service for more than the remainder of the day, shift or turn.” “No lost time” injuries are defined as those in which the employee did not miss work beyond the remainder of the day, shift or turn. Injuries requiring hospitalization are self-explanatory. All of the Division’s severity classifications are similar to the BLS variables in the Occupational Injuries and Illnesses Survey and are broad enough to describe the diversity of injuries within each category yet specific enough to discern substantive differences in severity (see explanation below). “Total Lost Workday Cases” injuries and illnesses per 100 full-time workers is a statistic used to measure the incidence of injuries that meet the criterion of “lost workday.” However, a year-to-year comparison between the BLS study and the Division’s data is difficult due to both the time lag in reporting by BLS/KDHE and the differing time frames of the studies.

Table 2-17 lists the Kansas non-fatal occupational injury and illness rate for the last eleven fiscal years (FY1992-FY2002) as calculated by the Division of Workers Compensation.³ See Figures 2-1 below for graphical representations of the data as well.

- For “total injuries and illnesses” the incidence per 100 full-time equivalent workers (FTE hereafter) in the private and non-federal public sectors was 8.42 in FY1992. The incidence rate rose slightly to near 9 injuries and illnesses per 100 FTE for the next two years (8.97 in FY1993 and 8.78 in FY1994) and has slowly declined every year since FY1995 to the rate of 5.45 total injuries and illnesses per 100 FTE in FY2002. Since the ten-year peak of 8.97 injuries and illnesses per 100 FTE in FY1993 the incidence rate has dropped 39 percent, or 3.52 injuries per 100 FTE.
- The “time lost” injuries and illnesses incidence rate was 3.58 per 100 FTE in FY1992 and rose above 4 per 100 FTE from FY1993 and FY1994. The time lost rate dropped to 2.04 per 100 FTE in FY1996 and has been below two injuries and illnesses per 100 FTE ever since, a decrease of 79 percent from the peak rate in FY1993 (4.17) to the current rate for FY2002 (0.89).

² K.S.A.44-557.

³ As stated previously, the Division has re-calculated the incidence rates published in last year’s annual statistical report due to the purging of duplicate records from its database and by calculating injuries per year based upon accident date rather than processing date.

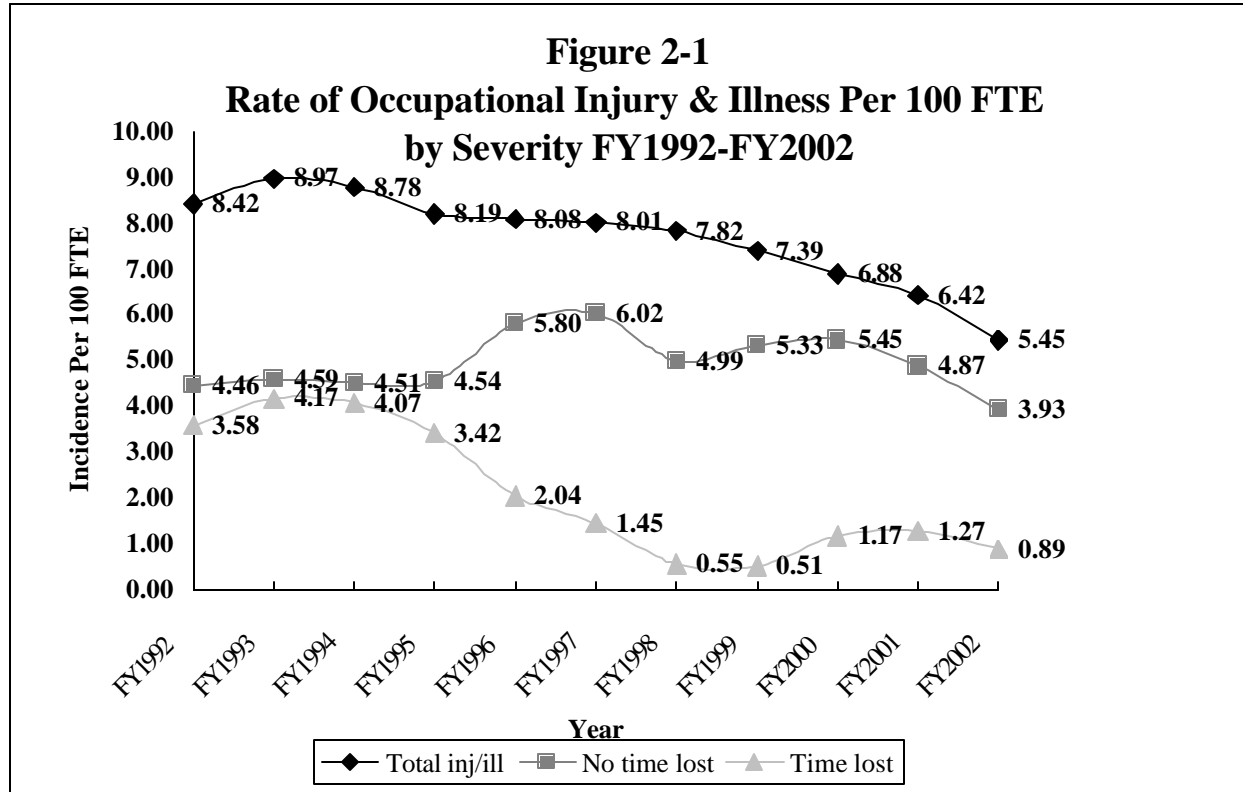
- The “no time lost” injuries and illnesses incidence rate has been consistently between the range of 6.02 and 4.51 per 100 FTE for the past nine fiscal years until it dropped to 3.93 for FY2002. This represents a decrease in the rate of time lost injuries by 34.7 percent from the peak rate of 6.02 in FY1997.

Table 2-17
Kansas Non-Fatal Occupational Injury & Illness Incidence Rate*
FY1992-FY2002

Year	Total Injuries & Illnesses*	No Time Lost Illnesses & Injuries*	Time Lost Injuries & Illnesses*	Injuries & Illnesses Requiring Hospitalization*
FY1992	8.42	4.66	3.58	0.18
FY1993	8.97	4.59	4.17	0.20
FY1994	8.78	4.51	4.07	0.20
FY1995	8.19	4.54	3.42	0.22
FY1996	8.08	5.80	2.04	0.24
FY1997	8.01	6.02	1.45	0.54
FY1998	7.82	4.99	0.55	2.27
FY1999	7.39	5.33	0.51	1.55
FY2000	6.88	5.45	1.17	0.25
FY2001	6.42	4.87	1.27	0.27
FY2002	5.45	3.93	0.89	0.63

Source: Kansas Division of Workers Compensation, Kansas Labor Market Information Services

*Per 100 Full-time Equivalent Non-Federal Workers



The Federal Bureau of Labor Statistics Survey of Statewide Occupational Injuries and Illnesses in the Private Sector

BLS defines a lost workday as “the number of workdays (consecutive or not) beyond the day of injury or onset of illness.” This number includes both actual days away from work and employees assigned, due to the injury or illness, to restricted work activity⁴ and is a proxy for measuring the severity of injury incurred by the employee. Its logical counterpart is “Cases Without Lost Workday Cases” which is defined as the obverse of injury resulting in time away from work or restricted work activity. It too is a proxy for measuring severity and would include any injury incurred that did not result in lost workdays or restricted activity. For example, if a Kansas employee were to cut their finger while preparing food and did not return for the rest of the day (presumably to receive medical treatment) but did return the following scheduled workday they would be designated as a “Case Without Lost Workday.” In other words, no time is lost beyond the *day* of injury or onset of illness. BLS reported an incidence rate of 9.8 injuries and illnesses per 100 full-time workers for Kansas in 1994. That incidence rate dropped to a six-year low of 7.8 injuries and illnesses per 100 full-time workers in 2000, the most recent year of the survey (See Table 2-18). Below are findings from their survey research that are good comparative data for the Division’s published incidence rates.

- The “Total Injuries and Illnesses” incidence rate (See Table 2-18) for the private sector in Kansas reveals a decrease in the frequency of occupational injury and illness every successive year except for a slight spike in 2000 (up from 7.6 to 7.8). This is consistent with the national trend (yearly declines for every year however) in “Total Injury and Illness” incidence rates but Kansas still has a higher frequency of injuries than the national average for every year of the study.
- The “Total Lost Workday Cases” incidence rate for Kansas declines or remains level from 1994 (4.2 per 100 workers) to 2000 (3.3 per 100 workers). The Kansas numbers are slightly higher than the national average for each of the seven years, which also has declined or remained constant every year as well to a low of 3.0 lost workday injuries per 100 full-time workers.
- The “Lost Workday Cases with Days Away from Work” incidence rate for the Kansas private sector has dropped from 2.7 injuries and illnesses per 100 workers in 1994 to 1.7 per 100 workers in 2000. This trend in injuries resulting in days away from work mirrors rather closely what is occurring at the national level and is a good sign that the severity of the Kansas injuries are no greater than the national average.
- The “Cases Without Lost Workdays” incidence rate in Kansas declined from 5.6 injuries per 100 workers (1994) to 4 per 100 workers in 1999 and then increased to 4.4 in year 2000. Kansas has higher than average (national) rates for cases without lost workdays for every year of the study indicating that a greater percentage of the state’s total injuries and illnesses do not result in days away from work or restricted work activity. In other words, Kansas has a greater frequency of the less severe type of occupational injuries and illnesses.
- The Kansas “Total Injuries and Illnesses” rate is down by 2.0 injuries and illnesses per 100 workers for the period 1994-2000, a relative change of 20 percent. Similarly, the national average for total injuries has decreased by 2.3 injuries and illnesses per 100 workers, or 27 percent.
- “Total Lost Workday Cases” in Kansas has declined by 0.9 injuries and illnesses per 100 workers or 21 percent while the national average for the same incidence rate is down 0.8 injuries and illnesses or 21 percent as well.

⁴ Restricted work activity includes assigning an employee to another job on a temporary basis, less than full-time employment or a reduction in duties for the position of which the injury occurred.

- Kansas “Lost Workday Cases with Days Away from Work” has remained fairly steady over the six-year period declining by 1.0 injuries and illnesses per 100 workers. The national average for days away from work injuries and illnesses declined by the same amount over this period as well.
- Finally, “Cases Without Lost Workdays” in Kansas are down by 1.2 injuries and illnesses per 100 workers from 1994 (relative decline of 21 percent) and the nation as a whole experienced a similar decline (1.4).

Table 2-18
BLS Survey of Kansas Private Sector Occupational Injury & Illness
Incidence Rate* 1994-2000

Year	Total Injuries & Illnesses*		Total Lost Workday Cases*		Lost Workday Cases with Days Away from Work*		Cases Without Lost Workdays*	
	National Rate	Kansas Rate	National Rate	Kansas Rate	National Rate	Kansas Rate	National Rate	Kansas Rate
1994	8.4	9.8	3.8	4.2	2.8	2.7	4.6	5.6
1995	8.1	9.7	3.6	4.2	2.5	2.5	4.4	5.5
1996	7.4	8.9	3.4	4	2.2	2.2	4.1	4.9
1997	7.1	8.6	3.3	4	2.1	2.1	3.8	4.6
1998	6.7	8.5	3.1	3.7	2	1.9	3.5	4.8
1999	6.3	7.6	3	3.6	1.9	1.9	3.3	4
2000	6.1	7.8	3	3.3	1.8	1.7	3.2	4.4

Source: Bureau of Labor Statistics, U.S. Department of Labor

*Per 100 Full-time Equivalent Private Sector Workers

The Kansas Industrial Sector Incidence Rate FY1993-FY2002

For the first time this year the Division is publishing its calculated incidence rates by industrial sector for the past ten fiscal years. The industrial sectors (or in the language of the Standard Industrial Classification (SIC)⁵ system Divisions B-J) include; mining; construction; manufacturing; transportations, communications, electric, gas and sanitary services; wholesale trade; retail trade; finance, insurance and real estate; services; and finally, public administration in the State of Kansas for FY1993-FY2002.

- The construction sector had the highest rate of relative change, with a decrease in total injuries and illnesses of approximately 55.4 percent.
- The transportation, communications, and utilities sector reported the second highest relative change rate, with a decrease in total injuries and illnesses between FY1993 and FY2002 of approximately 51.14 percent.
- With the exception of the public administration sector, whose incidence rates are very low in general, all of the industrial sectors show substantial relative change in incidence rates, decreases between 37.69 percent and 55.4 percent. The total incidence rates for the public administration sector decreased by approximately 9.91 percent.

⁵ Executive Office of the President, Office of Management and Budget, *Standard Industrial Classification Manual* (Indianapolis, IN: JIST Works Inc., 1987).

- The construction sector went from having the highest rate of total injuries and illnesses per 100 FTE in FY1993 at 15.86 to having the second highest in FY2002 with a rate of 7.07.
- The manufacturing sector reported the highest rate of total injuries and illnesses in 2002 with 7.49 per 100 FTE while the lowest incidence rate, 1.56 per 100 FTE, was found in the finance, insurance, and real estate sector.
- Construction reported the highest “no time lost” incidence rate in FY2002 with 4.59 injuries and illnesses per 100 FTE, while the services industrial sector had the second highest rate; 4.50 per 100 FTE.
- The construction sector reported the highest incidence rate of “time lost” injuries and illnesses in FY2002 with 1.54 per 100 FTE.
- The second highest rate of “time lost” injuries for FY2002 was 1.29 injuries and illnesses per 100 FTE, reported by the mining sector.
- The highest fatality rates are found in FY1998 and FY2000 in the mining sector at approximately 0.075 total injuries and illnesses per 100 FTE.

Table 2-19

**Occupational Injury & Illness Incidence Rate* for Kansas
Wholesale Trade Sector FY1993-FY2002**

Year	No Time Lost	Time Lost	Hospitalized	Fatal	Total Inj/Ill
FY1993	3.42	3.72	0.21	0.01	7.37
FY1994	3.31	3.45	0.19	0.01	6.96
FY1995	3.14	2.96	0.24	0.01	6.34
FY1996	4.25	1.79	0.20	0.01	6.24
FY1997	4.93	1.33	0.48	0.01	6.74
FY1998	3.99	0.51	2.12	0.01	6.63
FY1999	4.17	0.49	1.40	0.00	6.07
FY2000	4.16	1.10	0.19	0.01	5.46
FY2001	3.84	1.33	0.19	0.00	5.36
FY2002	3.14	0.81	0.56	0.00	4.51

Source: Kansas Division of Workers Compensation, Kansas Labor Market Information Services

*Per 100 Full-Time Equivalent Non-Federal Workers

Table 2-20

**Occupational Injury & Illness Incidence Rate* for Kansas
Mining Sector FY1993-FY2002**

Year	No Time Lost	Time Lost	Hospitalized	Fatal	Total Inj/Ill.
FY1993	4.92	5.75	0.54	0.03	11.25
FY1994	4.70	5.90	0.57	0.02	11.20
FY1995	4.46	4.48	0.67	0.05	9.66
FY1996	6.36	3.29	0.71	0.05	10.42
FY1997	6.47	2.06	1.38	0.02	9.93
FY1998	4.96	0.69	2.81	0.08	8.54
FY1999	5.34	0.42	2.16	0.00	7.92
FY2000	5.43	1.87	0.40	0.07	7.78
FY2001	5.08	1.85	0.63	0.00	7.56
FY2002	3.82	1.29	1.01	0.07	6.18

Source: Kansas Division of Workers Compensation, Kansas Labor Market Information Services

*Per 100 Full-Time Equivalent Non-Federal Workers

Table 2-21

**Occupational Injury & Illness Incidence Rate* for Kansas
Construction Sector FY1993-FY2002**

Year	No Time Lost	Time Lost	Hospitalized	Fatal	Total Inj/Ill.
FY1993	7.37	7.83	0.65	0.02	15.86
FY1994	6.77	7.85	0.62	0.02	15.25
FY1995	6.43	6.15	0.67	0.04	13.29
FY1996	8.03	3.52	0.55	0.01	12.12
FY1997	8.14	2.40	1.16	0.02	11.72
FY1998	6.59	0.59	3.91	0.02	11.11
FY1999	6.99	0.48	2.66	0.01	10.15
FY2000	7.17	2.09	0.49	0.02	9.77
FY2001	6.24	2.11	0.44	0.01	8.80
FY2002	4.59	1.54	0.95	0.00	7.07

Source: Kansas Division of Workers Compensation, Kansas Labor Market Information Services

*Per 100 Full-Time Equivalent Non-Federal Workers

Table 2-22
Occupational Injury & Illness Incidence Rate* for Kansas
Manufacturing Sector FY1993-FY2002

Year	No Time Lost	Time Lost	Hospitalized	Fatal	Total Inj/Ill.
FY1993	6.25	4.98	0.15	0.00	13.99
FY1994	6.15	4.92	0.19	0.00	14.15
FY1995	6.13	4.39	0.19	0.00	13.49
FY1996	7.08	2.98	0.28	0.00	13.08
FY1997	7.04	1.83	0.57	0.00	12.03
FY1998	5.38	1.02	2.80	0.00	11.92
FY1999	5.53	1.19	2.08	0.00	11.26
FY2000	6.13	1.74	0.47	0.00	10.42
FY2001	5.11	1.79	0.46	0.00	9.23
FY2002	4.11	1.07	0.84	0.00	7.49

Source: Kansas Division of Workers Compensation, Kansas Labor Market Information Services

*Per 100 Full-Time Equivalent Non-Federal Workers

Table 2-23
Occupational Injury & Illness Incidence Rate* for Kansas
Transportation, Communications, Electric, Gas & Sanitary
Services Sector FY1993-FY2002

Year	No Time Lost	Time Lost	Hospitalized	Fatal	Total Inj/Ill.
FY1993	3.80	5.01	0.22	0.01	9.05
FY1994	3.76	4.66	0.20	0.01	8.63
FY1995	4.19	3.53	0.22	0.01	7.95
FY1996	6.14	1.78	0.22	0.01	8.15
FY1997	6.18	1.15	0.43	0.01	7.78
FY1998	4.97	0.33	1.86	0.01	7.17
FY1999	4.96	0.38	1.36	0.01	6.72
FY2000	4.74	0.86	0.17	0.01	5.80
FY2001	3.91	1.52	0.19	0.01	5.61
FY2002	3.21	0.66	0.53	0.02	4.42

Source: Kansas Division of Workers Compensation, Kansas Labor Market Information Services

*Per 100 Full-Time Equivalent Non-Federal Workers

Table 2-24

**Occupational Injury & Illness Incidence Rate* for Kansas
Retail Trade Sector FY1993-FY2002**

Year	No Time Lost	Time Lost	Hospitalized	Fatal	Total Inj/Ill.
FY1993	3.73	3.23	0.16	0.00	7.12
FY1994	3.81	3.14	0.17	0.00	7.12
FY1995	3.99	2.69	0.18	0.00	6.85
FY1996	4.96	1.66	0.17	0.00	6.79
FY1997	5.00	1.36	0.48	0.00	6.84
FY1998	3.97	0.75	1.71	0.00	6.43
FY1999	4.27	0.50	1.07	0.00	5.84
FY2000	4.31	0.95	0.25	0.00	5.50
FY2001	3.61	1.30	0.22	0.00	5.13
FY2002	3.14	0.77	0.45	0.00	4.36

Source: Kansas Division of Workers Compensation, Kansas Labor Market Information Services

*Per 100 Full-Time Equivalent Non-Federal Workers

Table 2-25

**Occupational Injury & Illness Incidence Rate* for Kansas
Finance, Insurance & Real Estate Sector FY1993-FY2002**

Year	No Time Lost	Time Lost	Hospitalized	Fatal	Total Inj/Ill.
FY1993	1.59	1.27	0.06	0.00	2.92
FY1994	1.38	1.24	0.06	0.00	2.68
FY1995	1.41	0.98	0.06	0.00	2.45
FY1996	1.81	0.50	0.05	0.00	2.36
FY1997	2.05	0.36	0.14	0.01	2.55
FY1998	1.75	0.10	0.66	0.00	2.52
FY1999	1.56	0.11	0.41	0.00	2.08
FY2000	1.61	0.31	0.04	0.00	1.96
FY2001	1.60	0.32	0.06	0.00	1.98
FY2002	1.21	0.21	0.14	0.00	1.56

Source: Kansas Division of Workers Compensation, Kansas Labor Market Information Services

*Per 100 Full-Time Equivalent Non-Federal Workers

Table 2-26
Occupational Injury & Illness Incidence Rate* for Kansas
Services Sector FY1993-FY2002

Year	No Time Lost	Time Lost	Hospitalized	Fatal	Total Inj/Ill.
FY1993	4.91	4.26	0.15	0.00	9.02
FY1994	4.63	4.06	0.18	0.00	8.48
FY1995	4.49	3.35	0.20	0.00	7.75
FY1996	6.12	1.78	0.22	0.00	7.70
FY1997	6.42	1.22	0.74	0.00	7.78
FY1998	5.23	0.39	2.19	0.00	7.57
FY1999	5.87	0.38	1.34	0.00	7.45
FY2000	6.03	0.97	0.17	0.00	6.90
FY2001	5.53	0.96	0.27	0.00	6.41
FY2002	4.50	0.83	0.48	0.00	5.62

Source: Kansas Division of Workers Compensation, Kansas Labor Market Information Services

*Per 100 Full-Time Equivalent Non-Federal Workers

Table 2-27
Occupational Injury & Illness Incidence Rate* for Kansas
Public Administration Sector FY1993-FY2002

Year	No Time Lost	Time Lost	Hospitalized	Fatal	Total Inj/Ill.
FY1993	0.93	0.83	0.05	0.00	1.81
FY1994	0.94	0.88	0.05	0.00	1.87
FY1995	0.88	0.69	0.06	0.00	1.64
FY1996	1.26	0.42	0.06	0.00	1.74
FY1997	1.25	0.27	0.15	0.00	1.68
FY1998	1.15	0.09	0.61	0.00	1.85
FY1999	1.31	0.05	0.41	0.00	1.78
FY2000	1.15	0.23	0.05	0.00	1.43
FY2001	1.20	0.21	0.05	0.00	1.46
FY2002	1.20	0.25	0.17	0.00	1.63

Source: Kansas Division of Workers Compensation, Kansas Labor Market Information Services

*Per 100 Full-Time Equivalent Non-Federal Workers

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Section 3

Workers Compensation Claims Statistics

The Kansas Workers Compensation Fund

The Workers Compensation Fund is a guaranty fund that operates as a payer of last resort for injured workers in the state of Kansas. The fund is administered by the Commissioner of Insurance through the Kansas Insurance Department and makes workers compensation payments “[i]f an employer has no insurance to secure payment of compensation...and such employer is financially unable to pay compensation to an injured worker as required by the workers compensation act, or such employer cannot be located and required to pay such compensation.”¹ Tables 3-1, 3-2 and 3-3 lists the Workers Compensation Fund caseload, expenditures and receipts for FY2000-FY2002.

Table 3-1
Workers Compensation Fund Case Load
Scheduled

	FY2002	FY2001	FY2000
Total Number of Impleading	125	112	144
Total Number of Closed Cases	258	292	838

Source: Kansas Insurance Department

Table 3-2
Workers Compensation Fund
Expenditures Analysis

	FY2002	% of Total	FY2001	% of Total	FY2000	% of Total
Disability Compensation	\$1,743,881	38.27	\$2,459,939	44.8	\$3,480,211	44.4
Work Assessment	\$2,631	.06	\$23,302	0.4	\$28,445	0.4
Medical	\$1,272,118	27.91	\$631,814	11.5	\$600,249	7.6
Reimbursement to Insurance Companies [K.S.A. 44-569(a) & K.S.A.44-569]; lump sum and medical may be included	\$876,891	19.24	\$1,630,703	29.8	\$2,812,607	35.9
Attorney Fees	\$285,564	6.27	\$322,011	5.9	\$432,706	5.5
Court Costs, Deposition, Medical Reports, etc	\$51,883	1.14	\$42,277	0.8	\$66,826	0.9
Refunds	0	0	\$0	0.0	\$0	0.0
Other Operating Expense	\$324,308	7.11	\$370,565	6.8	\$417,621	5.3
Total Expenditures	\$ 4,557,276	100.0	\$5,480,611	100.0	\$7,838,665	100.0

Source: Kansas Insurance Department

¹ K.S.A. 44-532a.

Table 3-3
Workers Compensation Fund
Receipts Analysis

	FY2002	% of Total	FY2001	% of Total	FY2000	% of Total
Assessment Receipts	\$398,206	2.29	\$3,163,438	10.8	\$9,073,818	26.9
Non-Dependent Death Receipt*	\$0	0.0	\$0	0.0	\$0	0.0
Misc. Reimbursements	\$189,811	1.09	\$72,200	0.1	\$306,162	0.9
Fines & Penalties	\$57,877	.33	\$67,075	0.1	\$0	0.0
Transfer to State General Fund (Senate Bill 363, Sec. 32 (b))	(\$7,000,000)	(40.29)				
Total Receipts	(\$6,354,105)	(36.58)	\$3,302,713	11.0	\$9,379,980	27.8
Previous Year Carryover Balance	\$23,703,442	136.45	\$25,881,340	88.9	\$24,340,025	72.0
Cancelled Checks	\$22,703.00	.13	\$84,360.82	0.1	\$58,257	0.2
Total Funds Available	\$17,372,039	100.0	\$29,268,414	100.0	\$33,778,262	100.0

Source: Kansas Insurance Department

*Non-Dependent death prior to 5-99

Workers Compensation Insurance Experience

The Kansas Insurance Department reports that the total direct paid losses for calendar year 2001 was \$190,426,537, an increase of \$20,598 from the previous year (See Table 3-4 below). However, total paid losses has risen every year for the past four years but is still well below the 22-year peak of \$243,751,957 in 1991. Direct losses incurred for 2001 were \$237,335,832, an increase of \$78,109,484 from the previous year, or a relative change of 49 percent. The losses paid to premiums earned ratio, as calculated by the Insurance Department, was 65.3 while the losses incurred to premiums written ratio was 88.1 for calendar year 2001.

Table 3-4
Workers Compensation Insurance Experience

YEAR	DIRECT PREMIUMS WRITTEN	DIRECT PREMIUMS EARNED	DIRECT LOSSES PAID	DIRECT LOSSES INCURRED	LOSSES PAID TO PREMIUMS EARNED	LOSSES INCURRED TO PREMIUMS WRITTEN
1978	\$111,624,578	\$110,678,942	\$50,153,935	\$72,202,238	45.3	64.7
1979	\$118,240,623	\$113,676,699	\$60,281,756	\$82,086,752	53.0	69.4
1980	\$141,189,216	\$138,145,343	\$72,697,056	\$102,896,246	52.6	72.9
1981	\$156,207,756	\$149,261,425	\$80,425,265	\$101,691,667	53.9	65.1
1982	\$154,944,245	\$152,315,135	\$88,345,714	\$107,979,341	58.0	69.7
1983	\$147,137,981	\$148,669,330	\$96,289,968	\$115,282,150	64.8	78.3
1984	\$141,097,428	\$140,223,325	\$106,701,375	\$125,520,390	76.1	89.0
1985	\$172,985,620	\$170,955,138	\$120,755,675	\$147,438,366	70.6	85.2
1986	\$208,167,277	\$202,033,619	\$134,554,116	\$170,153,475	66.6	81.7
1987	\$223,674,161	\$222,846,661	\$147,885,631	\$195,885,084	66.4	87.6
1988	\$257,039,527	\$259,548,305	\$164,553,813	\$208,332,654	63.4	81.1
1989	\$264,102,264	\$263,386,009	\$184,857,801	\$239,142,874	70.2	90.5
1990	\$291,804,714	\$293,048,038	\$222,309,953	\$265,726,660	75.9	91.1
1991	\$341,012,872	\$337,125,586	\$243,751,957	\$321,497,577	72.3	94.3
1992	\$366,672,022	\$363,578,560	\$236,878,948	\$293,894,584	65.2	80.2
1993	\$367,030,245	\$365,646,558	\$220,091,021	\$231,228,324	60.2	63.0
1994	\$338,173,750	\$312,116,539	\$185,502,395	\$192,914,048	59.4	57.0
1995	\$312,745,351	\$322,205,785	\$159,776,412	\$139,528,898	49.6	44.6
1996	\$274,014,862	\$282,897,458	\$149,616,189	\$130,595,593	52.9	47.7
1997	\$261,121,536	\$261,895,503	\$145,248,549	\$134,603,154	55.5	51.5
1998	\$250,588,819	\$261,594,835	\$156,594,835	\$126,164,370	59.9	50.3
1999	\$251,341,523	\$252,545,287	\$170,144,109	\$179,376,781	67.4	71.4
2000	\$271,480,320	\$247,235,161	\$170,366,708	\$159,226,348	68.9	64.4
2001	\$291,575,463	\$269,386,691	\$190,426,537	\$237,335,832	65.3	88.1

Source: Kansas Insurance Department

The Kansas Open and Closed Claim (OCC) Study

The Workers Compensation Act requires that employers (or their insurers) submit a first report of injury to the Division. Not every injury, however, results in a claim by the injured worker for medical and/or indemnity compensation and generally the Division becomes aware of a claim and obtains information that a given claim has closed, and about the costs and duration of that claim, through only two means. One occurs when that claim has been litigated through the Division's administrative law court system. The second occurs when a sample of insurers are required by statute to provide information to the Division.

K.S.A. 44-557a(c) mandates the Director of Workers Compensation "to conduct studies of open and closed claims under the workers compensation act" and to seek advice in order to "make valid statistical conclusions as to the distributions of costs of workers compensation benefits." The expectation of the Division's Open and Closed Claims Study is that the data collected will provide a foundation upon which

to construct meaningful statistical conclusions about the costs and temporal characteristics associated with workers compensation claims in Kansas and identify trends in these claims characteristics over time. The OCC study is repeated on an annual basis using the first completed survey study as a baseline for comparison of successive samples. Below is an analysis, utilizing univariate statistics, of workers compensation claims data in the state of Kansas over the past four years (1999-2002). The intent of this statutory mandate is that the Division should provide the legislature with information that it can use in deciding whether changes in the provisions of the Workers Compensation Act are needed and if so, to help formulate policy responses to identified problems with the program as presently administered.

The 2002 Open and Closed Claims Study

The 2002 Open and Closed Claim (OCC) Study marks the fourth consecutive year that the Division has collected claims data directly from a stratified random sample of insurance carriers, self-insured organizations and group-funded pools underwriting workers compensation in the state of Kansas (see appendix). The following section summarizes the findings of the OCC for this past calendar year.

Highlights From The 2002 Closed Claims Study

- For the 2002 closed claims sample the mean total indemnity costs was \$7,442 (See Table 3-5 below). The median total indemnity costs for the same sample of closed claims was \$2,573, indicating that there were a fair number of claims with large indemnity payouts that skewed the mean indemnity costs higher than the median.
- The mean total medical costs for closed claims were \$7,880 (See Table 3-5 below). Out of this total, the mean hospital costs were \$3,902, mean total payments to physicians were \$2,072, and the mean costs categorized as “other medical” were \$2,121. As with indemnity claims, the median claim total medical expense were only \$4,109, indicating the presence of a considerable number large medical claims that skewed the mean total costs higher than the median.
- The average lump sum settlements were \$28,849 (for the 327 claims that had a lump sum involved) while the median costs was considerably less at \$7,141.
- There were no cases that reported vocational rehabilitation expenses for the 2002 sample.

Table 3-5
2002 Closed Claim Costs Statistics

	Mean	Median	Count
Total Indemnity	\$7,442	\$2,573	1,755
Total Incurred Vocational Rehab*	\$0	\$0	0
Total Incurred Medical	\$7,880	\$4,109	1,872
Hospital Costs Paid to Date	\$3,902	\$2,328	970
Total Payments to Physicians	\$2,072	\$1,202	1,327
Other Medical Paid to Date	\$2,121	\$874	1,195
Lump Sum Settlement	\$28,849	\$7,141	327

Source: Kansas Division of Workers Compensation

*There were no vocational rehab cases in the 2002 sample.

- The mean duration of a claim (from date disability began to the date given by the insurer as the date of closing) was 490 days. Half of the claims in this year's sample were closed within 291 days. See Table 3-6 below.
- It took an average of 24 days for an insurer to be notified following an accident, with half of the sample taking seven days or less for notification. Insurers took an average of 67 days from the date disability began to make the first payment to the claimant (it took only 17 days for half of all claims). See Table 3-6 below.
- Claimants who lost time from work due to an injury and then returned to work at a later date on average lost 128 days of work, with half of the claimants in the sample losing only 50 days or less. See Table 3-6 below.

Table 3-6
2002 Closed Claims
Time Intervals*

	Claim Duration	Time Taken to Notify Insurer	Time Taken for Insurer to Get First Payment Out	Time Off Work
Mean	490	24	67	128
Median	291	7	17	50
Count	1,446	1,872	1,386	1,216
Max	4,167	1,709	1,778	3,085
Min	14	0	1	1

Source: Kansas Division of Workers Compensation

*All time intervals listed are in days.

- Of the 974 claims listing a percentage of impairment of the injured worker greater than 0 percent, 586 (60 percent) claims had a percentage of impairment between 1 percent and 19 percent. See Table 3-7 below.
- Nearly 25 percent of the injured workers in the sample had secured the services of an attorney to handle their claim, which is an increase of 4 percent from the previous year. The mean indemnity costs for claims involving an attorney (\$12,210) were \$6,997 greater, on average, than claims without an attorney (\$5,213). See Table 3-8 below.
- Mean total medical costs for claims involving an attorney totaled \$11,431. For claims not involving attorneys mean total medical costs were \$6,682. Mean lump sum settlements for claims involving attorneys (\$10,175) were far greater than for claims without attorneys (\$3,308). See Table 3-8 below.

Table 3-7
2002 Closed Claims
Percentage of Impairment

Bracket	Count
1-9%	586
10-19%	290
20-29%	57
30-39%	14
40-49%	10
50-59%	14
60-69%	2
70-79%	1
80-89%	n/a
90-99%	n/a
100%	n/a
Total	974

Source: Kansas Division of Workers Compensation

Table 3-8
2002 Closed Claims
Attorney Involvement with Claim

	Count	Average Indemnity	Average Medical	Average Lump Sum
Claimant Attorney Involved	472	\$12,210	\$11,431	\$10,175
No Claimant Attorney	1,400	\$5,213	\$6,682	\$3,308
All Cases	1,872	\$6,977	\$7,880	\$5,039

Source: Kansas Division of Workers Compensation

- Mean employer legal expenses, for the 461 claims that had these expenses reported, totaled \$2,673 while mean claimant legal expenses were \$4,366. The respective medians for employer and claimant legal expenses associated with a claim were \$626 and \$2,977. The median claimant legal expense were nearly four and three fourths times greater than the median employer legal expense. See Table 3-9 below.

Table 3-9
2002 Closed Claims
Legal Expenses Associated with Claim

	Employer's Legal Expenses	Claimant's Legal Expenses
Mean	\$2,673	\$4,366
Median	\$626	\$2,977
Count	461	68

Source: Kansas Division of Workers Compensation

Table 3-10
2002 Closed Claims
Average Wage & Indemnity by Employer Payroll

	Average of Average Weekly Wage	Average of Total Indemnity	Count of Return To Work	Total Cases in Each Category
\$0	\$987	\$9,930	374	493
\$1-100,000	\$433	\$5,243	52	314
\$100,001-\$1,000,000	\$432	\$5,780	301	329
\$1,000,001-\$10,000,000	\$406	\$6,612	300	443
Over \$10,000,000	\$576	\$5,761	222	293
Sample Total	\$595	\$6,977	1,249	1,872

Source: Kansas Division of Workers Compensation

The following highlights refer to the 2002 Closed Claim Study charts that follow below (See Figures 3-1 through 3-17).

- Injured workers in the 40 to 49-year-old age stratum had the greatest number of claims (546) in the sample, while claimants in the 30 to 39-year-old age stratum were a close second with 501. See Figure 3-1.
- Injured workers in the 30 to 39-year-old age stratum reported the highest mean indemnity costs (\$8,772), with those in the 50 to 59-year-old age stratum a close second at \$8,354. The two injured workers in the 80 to 89-year-old age stratum reported the highest mean medical expenses (\$10,693) but for age groupings with over 100 claims in the sample the 30 to 39-year-old age stratum had the highest mean medical costs at \$9,128. See Figure 3-2.
- Male claimants outnumbered female claimants by more than two-to-one in the sample and reported higher mean indemnity costs (\$7,582 for male claimants and \$5,656 for female claimants) and slightly higher mean medical costs (\$8,225 for males and \$7,044 for females). See Figure 3-3.
- Lifting was the most frequent cause of injury resulting in a claim for this year's study. The mean indemnity costs for lifting injuries was \$5,478 and mean medical costs were \$5,832. However, of the top 10 most frequent causes of injury miscellaneous (not otherwise classifiable) reported the highest average costs (\$11,540 mean indemnity and \$12,558 mean medical). See Figures 3-4 and 3-5.

- 37 percent of the closed claims sample reported strains as the nature of the worker's injury. The second most common nature of injury was fractures followed by contusions. See Figure 3-6. However, both mean indemnity costs for multiple physical injuries (\$14,266 mean indemnity and \$11,090 mean medical) were the highest costs by nature of injury. See Figure 3-7.
- The most frequently injured major body region (which consists of all the body parts condensed down into much broader categories) was the upper extremities (arms, wrists, hands, elbow, etc.). Lower extremities were second with the back region the next most frequently reported injured body region. However, the highest mean indemnity costs and highest mean medical costs for major body region were with claims involving multiple body parts (\$9,979 mean indemnity and \$9,542 mean medical). See Figures 3-8 and 3-9.
- The knee was the most frequently injured body part resulting in scheduled indemnity benefits but shoulder claims had the highest mean indemnity costs (\$9,508), while mean medical costs were highest for the lower arm (\$9,219). See Figures 3-10 and 3-11.
- Injuries involving multiple body parts were the most often injured body part resulting in unscheduled indemnity benefit with the lower back area second. However, disc injuries had the highest mean indemnity (\$20,146) and upper back injuries had the highest mean medical costs (\$14,443) for all unscheduled body part claims. See Figures 3-12 and 3-13.
- Temporary total disability (TTD) claims constituted 61 percent (down 20 percent from last year) of all closed claims in the sample had a mean of \$3,741 for indemnity costs. However, unscheduled permanent partial injuries had the highest non-fatal mean indemnity costs with \$10,941. The highest mean indemnity payout by type was \$72,381 for permanent total disability benefits, but this was a function of the small number of claims of this type (n=3) used in the calculation of the mean. See Figures 3-15 and 3-15.
- Carpal tunnel syndrome injuries had mean indemnity costs of \$9,847 and mean total medical costs of \$6,661. All other cumulative injuries had mean indemnity costs of \$10,303 and mean medical costs of \$5,705. See Figures 3-16.
- Due to the dynamic and continually evolving nature of medical and indemnity payments for claims not yet closed (open claims) no meaningful statistics on costs (including daily payments) could be reported. Claim costs for medical, indemnity, vocational rehabilitation and other expenses are discussed in the sections on closed claims.

Figure 3-1
Distribution of Claimants by Age
Closed Claims 2002

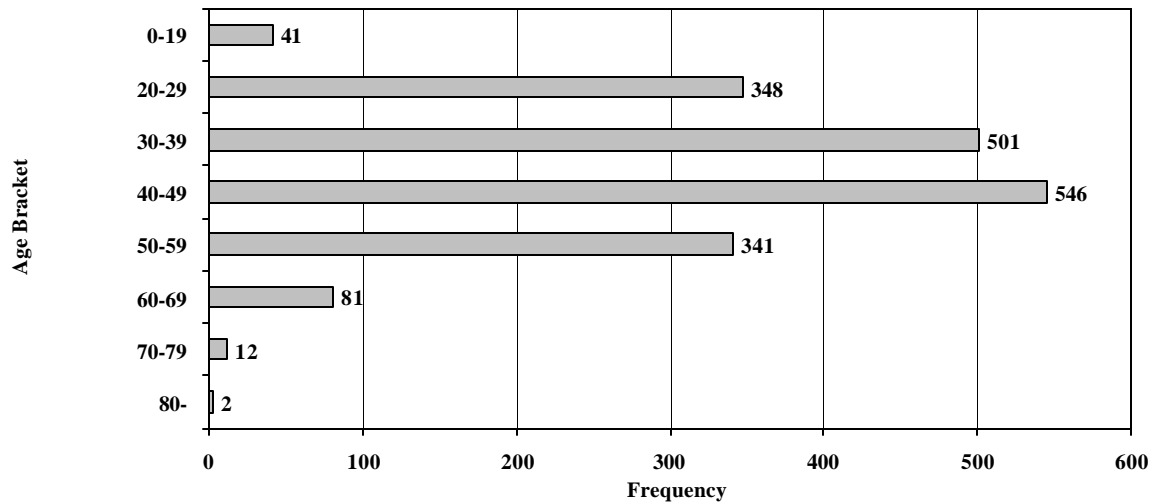
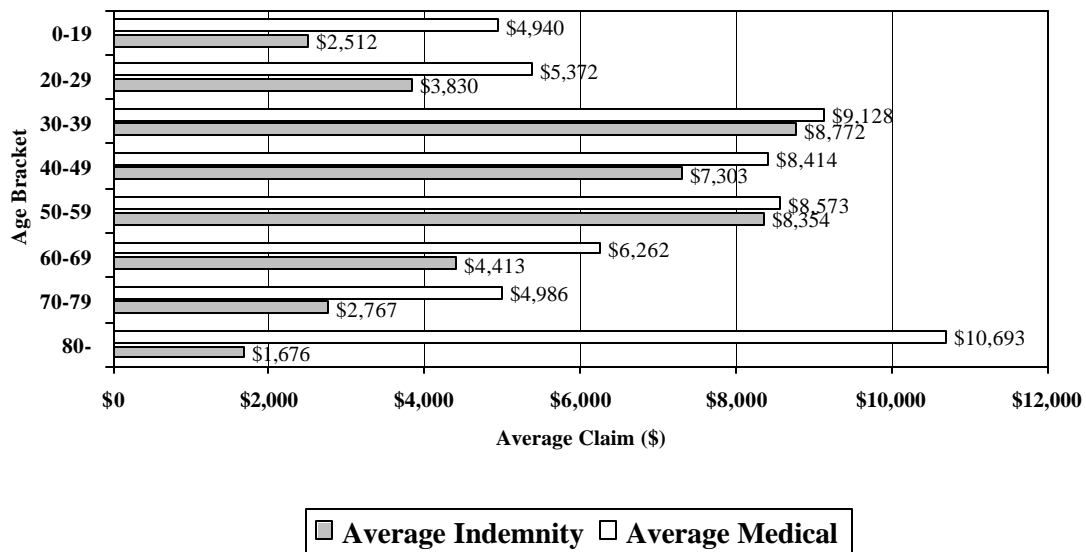


Figure 3-2
Average Claim Costs by Age of Claimant
Closed Claims 2002



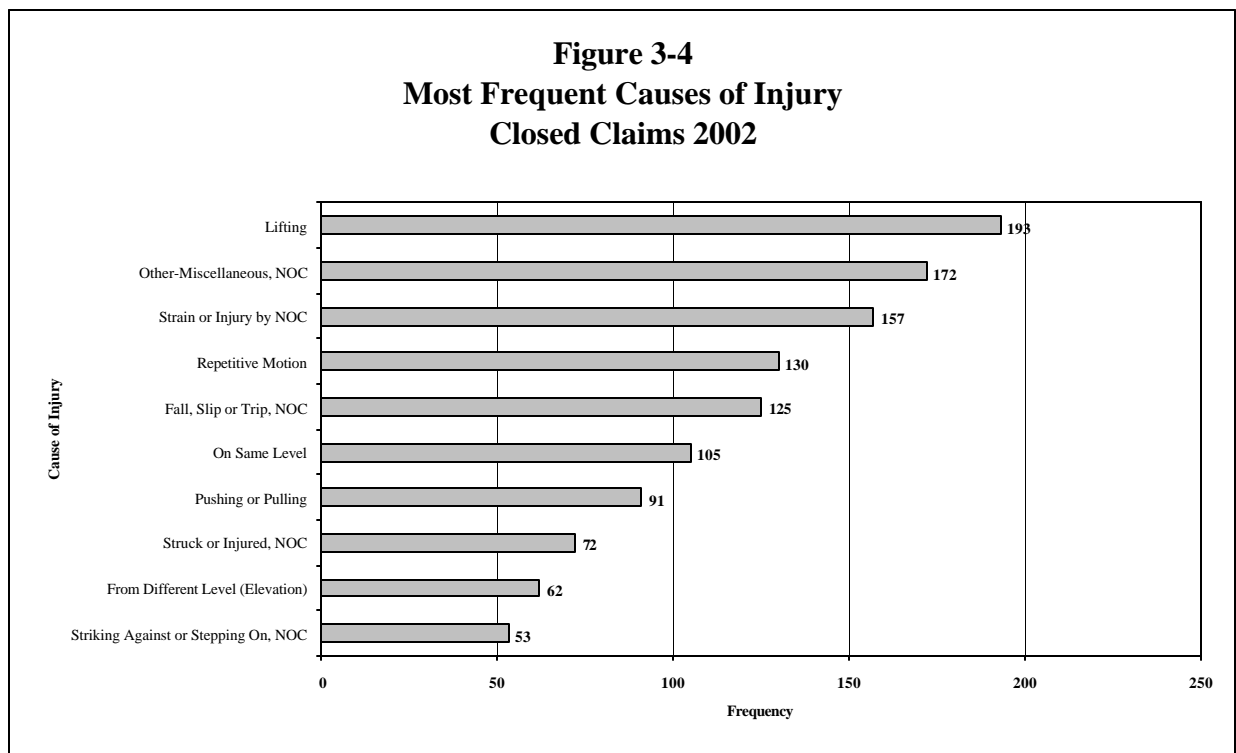
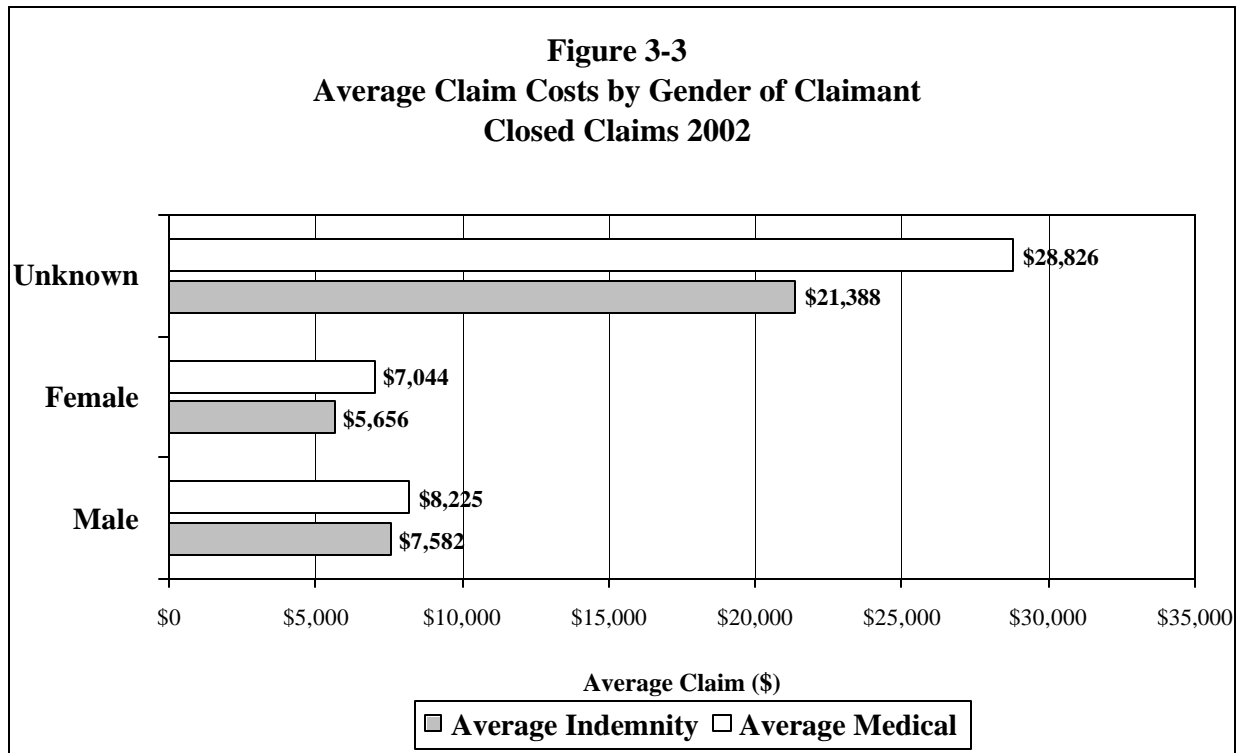


Figure 3-5
Average Claim Costs for the Most Frequent Causes of Injury
Closed Claims 2002

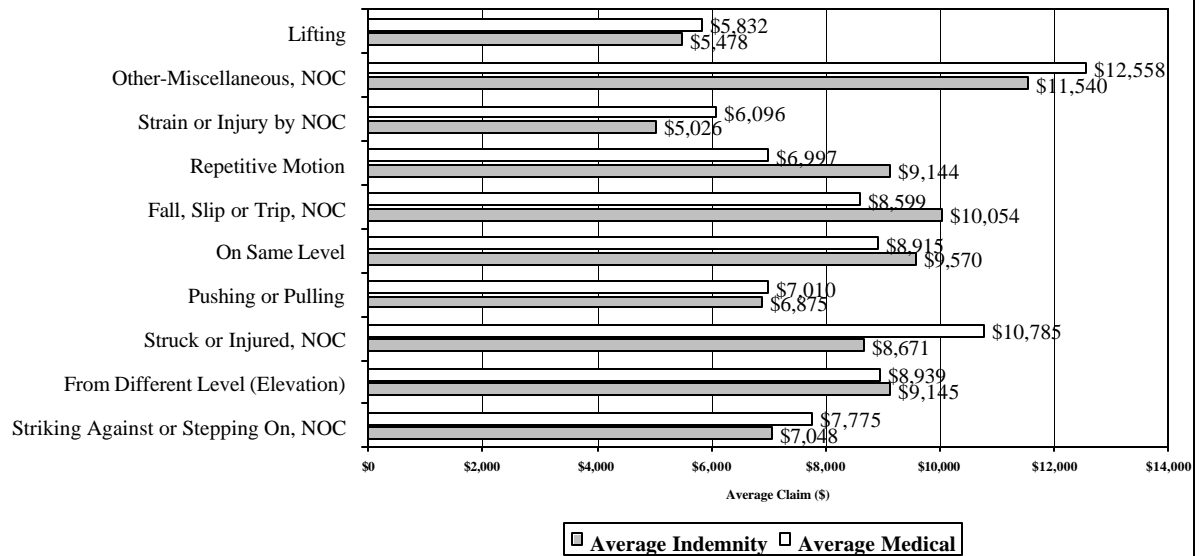


Figure 3-6
Most Frequently Reported Nature of Claimant Injury
Closed Claims 2002

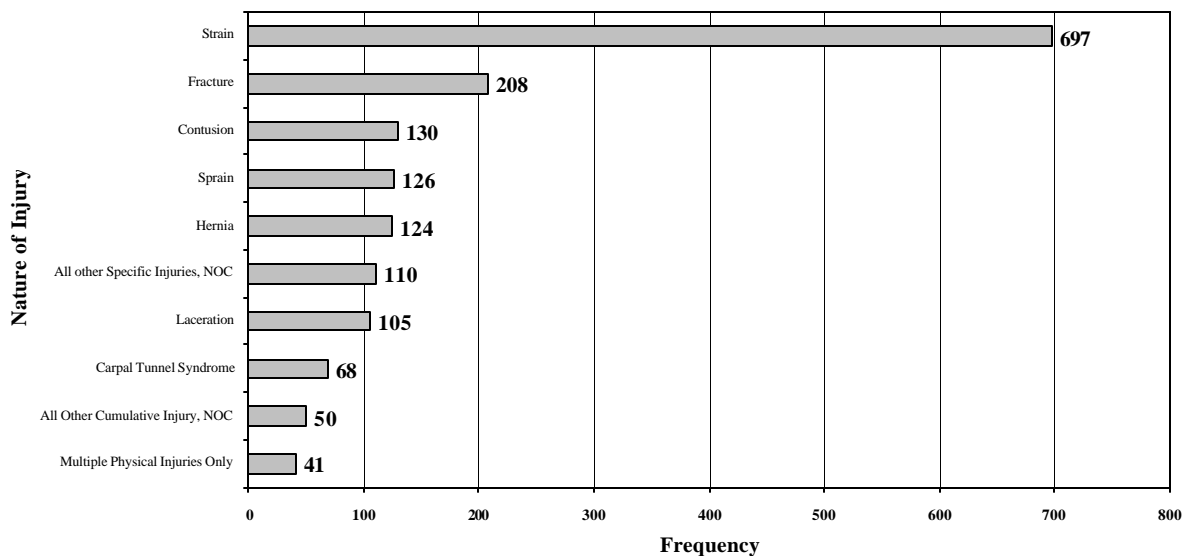


Figure 3-7
Average Claim Costs for Most Frequently Reported Nature of Injury
Closed Claims 2002

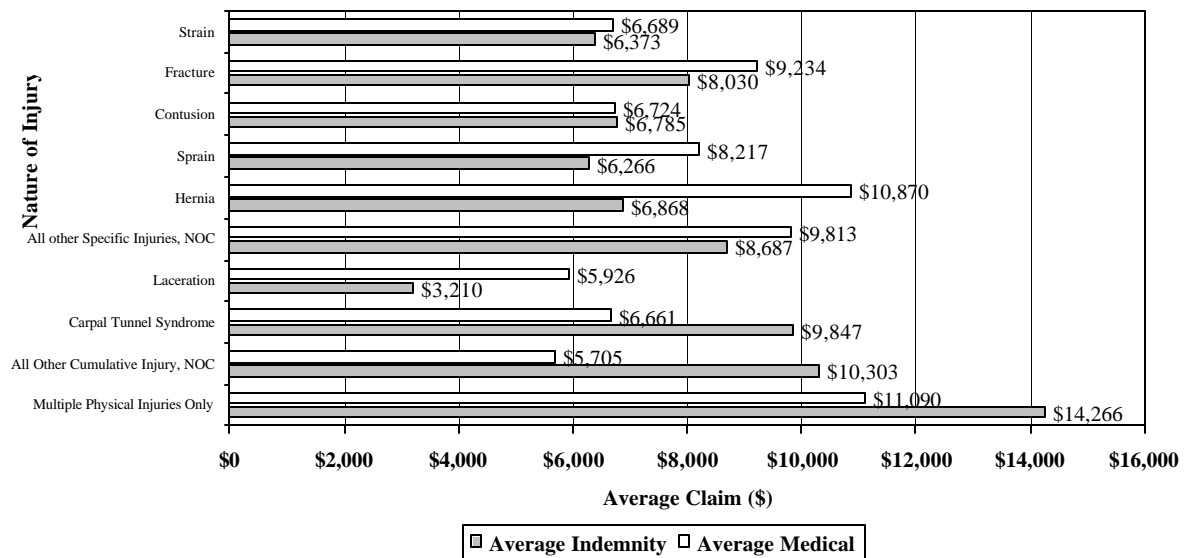


Figure 3-8
Most Frequent Major Body Region Injured by Claimant
Closed Claims 2002

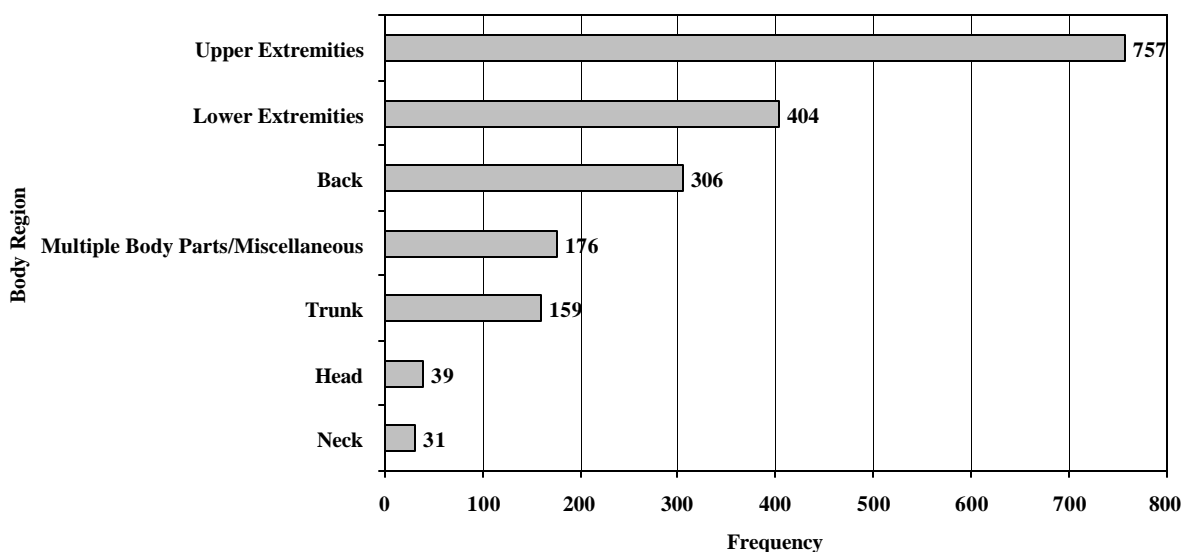


Figure 3-9
Average Claim Costs by Major Body Region
Closed Claims 2002

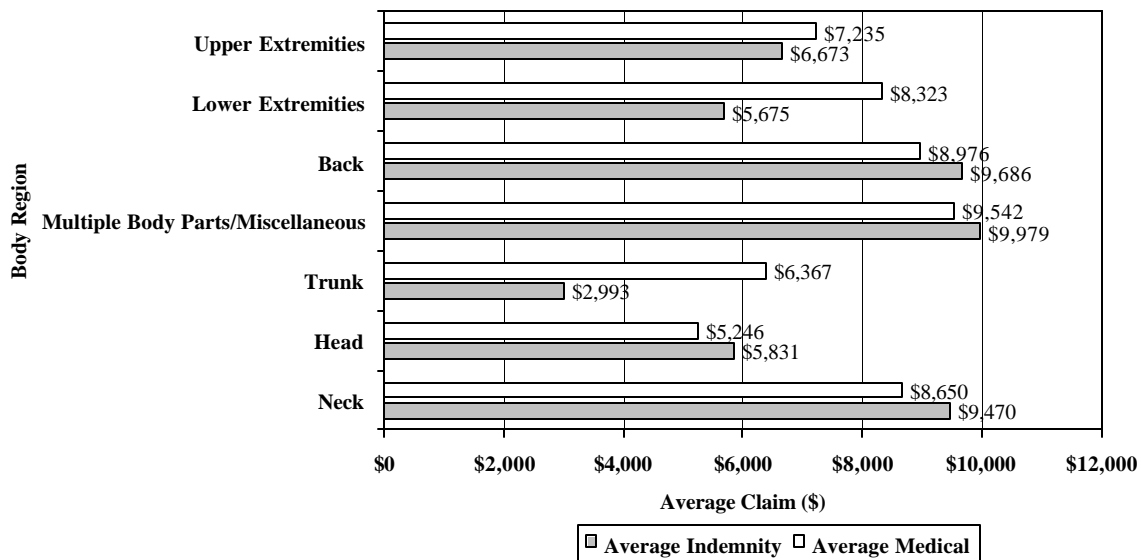


Figure 3-10
Most Frequent Scheduled Body Part Claims
Closed Claims 2002

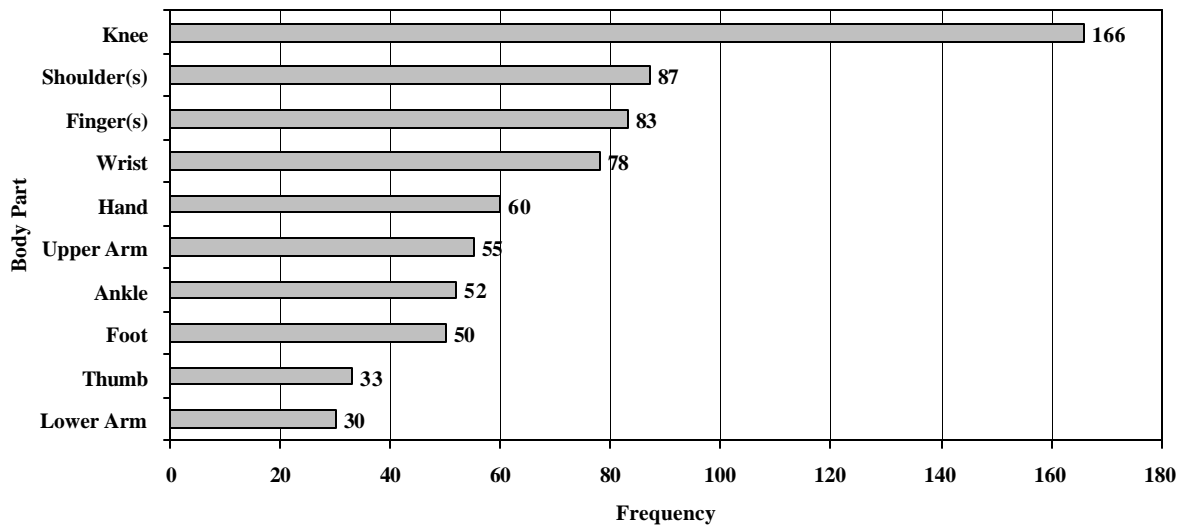


Figure 3-11
Average Claim Costs for Most Frequent Scheduled Body Parts
Closed Claims 2002

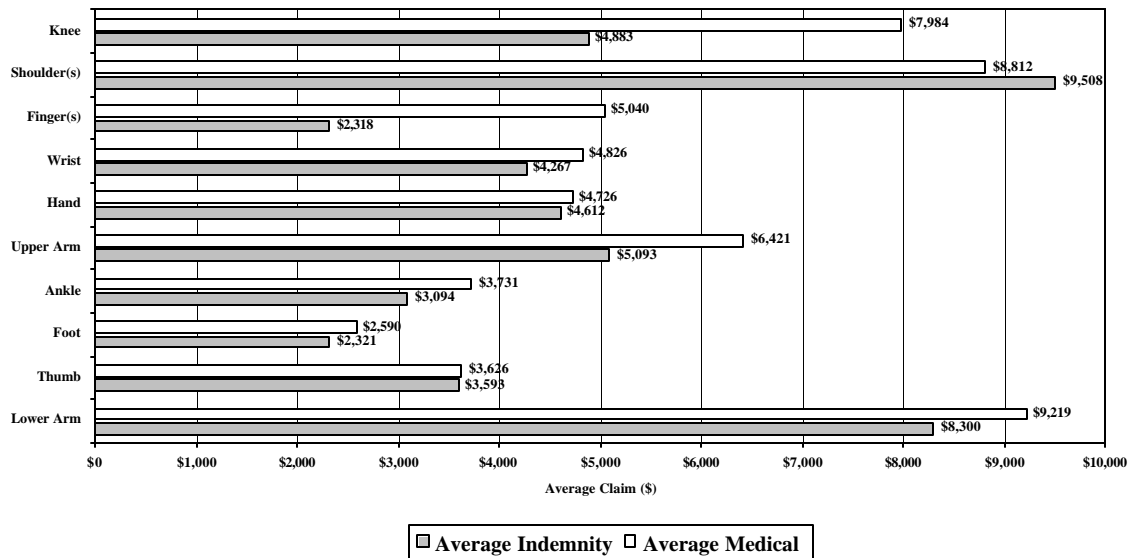


Figure 3-12
Most Frequent Unscheduled Body Parts Claims
Closed Claims 2002

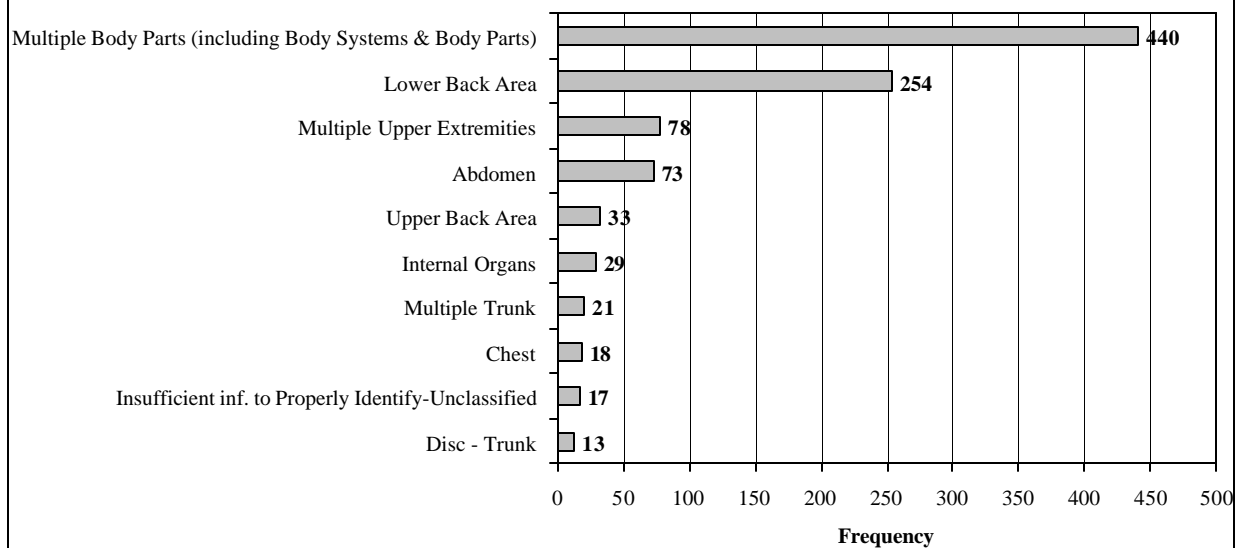


Figure 3-13
Average Claim Costs for Most Frequent Unscheduled Body Parts
Closed Claims 2002

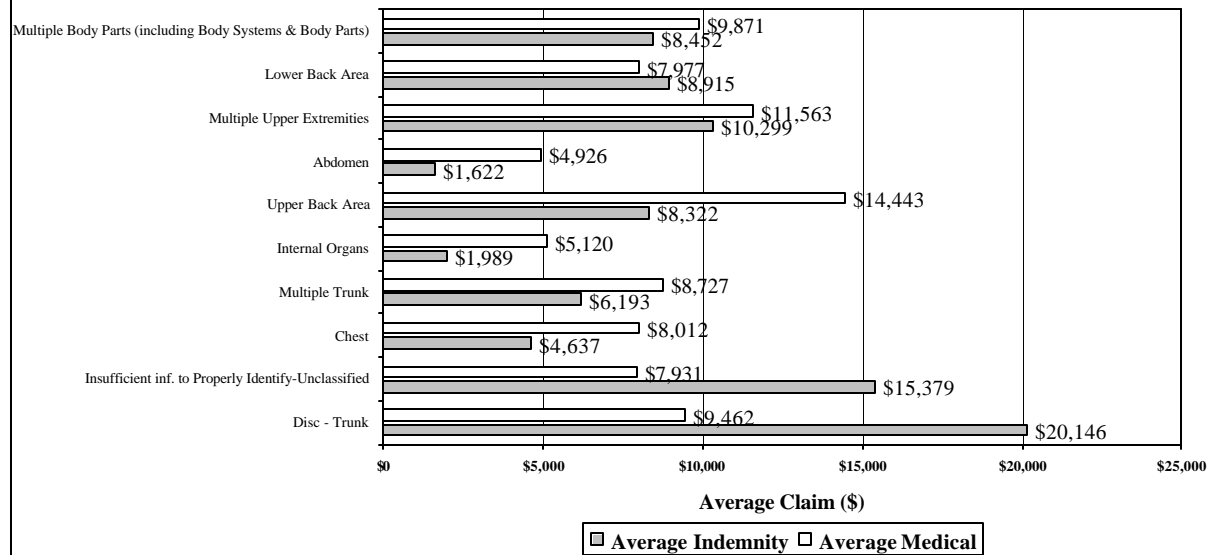


Figure 3-14
Most Frequent Type of Claimant Injury
Closed Claims 2002

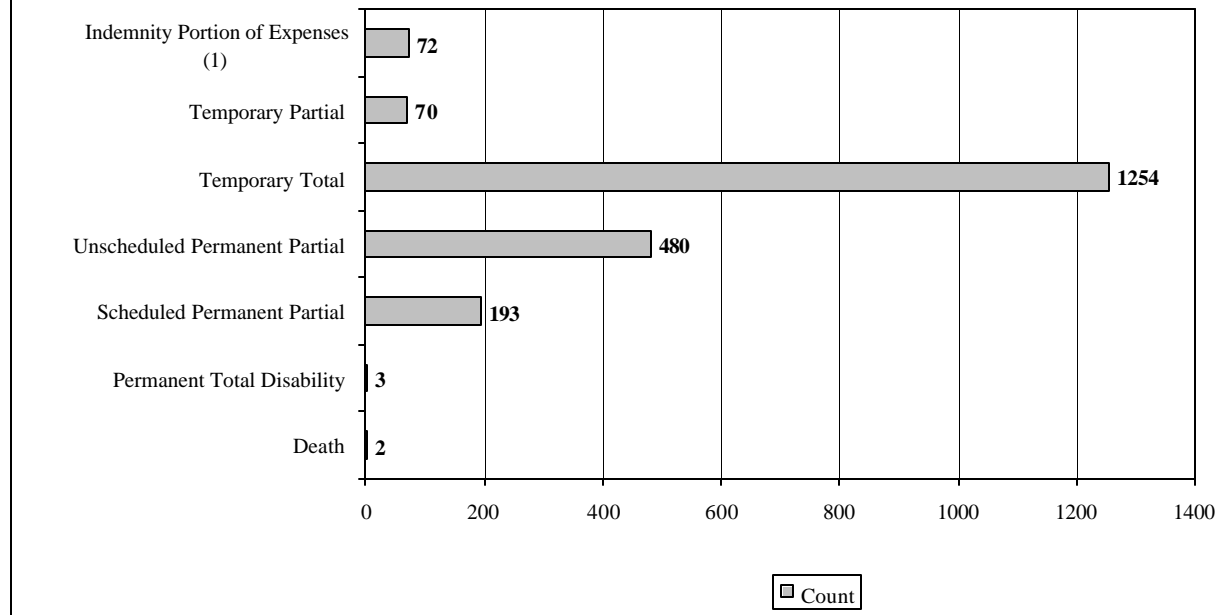


Figure 3-15
Average Indemnity Costs by Type of Claimant Injury
Closed Claims 2002

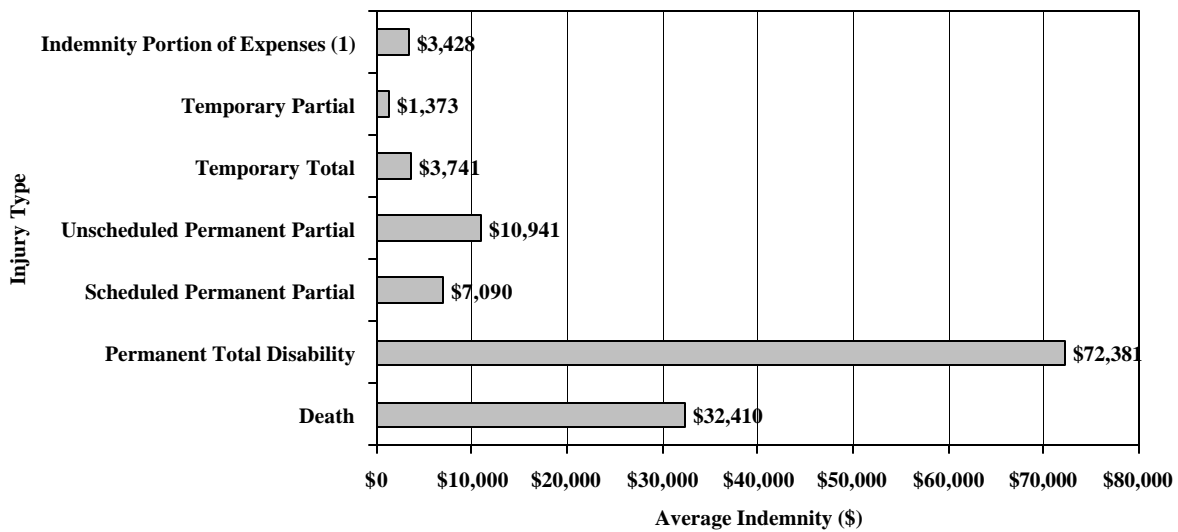
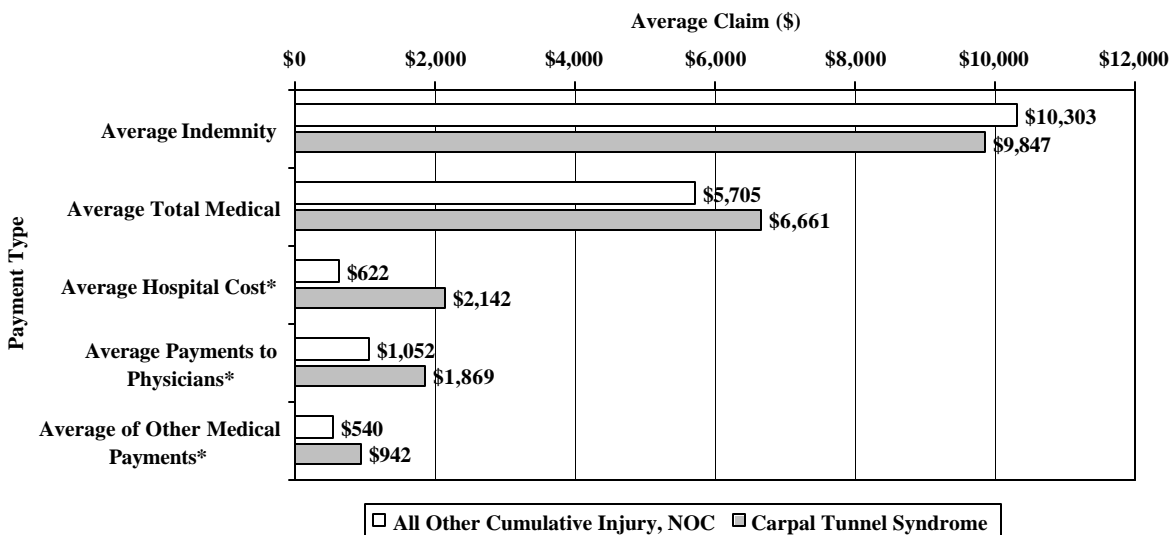


Figure 3-16
Claim Costs for Carpal Tunnel and All Other Cumulative Injuries
Closed Claims 2002



Comparative Analysis of 1999-2002 OCC Claims Costs and Temporal Characteristics

K.S.A. 44-557a(c) mandates the Director of Workers Compensation “to conduct studies of open and closed claims under the workers compensation act” and to seek advice in order to “make valid statistical conclusions as to the distributions of costs of workers compensation benefits.” The expectation of the Division’s Open and Closed Claims Study is that the data collected will provide a foundation upon which to construct meaningful statistical conclusions about the costs and temporal characteristics associated with workers compensation claims in Kansas and help identify trends in these claims characteristics over time. The OCC study is repeated on an annual basis using the first completed survey study as a baseline for comparison of successive samples. Below is an analysis, utilizing univariate statistics, of workers compensation claims data in the state of Kansas over the past three years (1999-2002).

Univariate Statistics

Univariate statistics are important quantitative tools for describing the statistical distribution of workers compensation data. The term “univariate” refers to the presentation or analysis of one variable at a time and usually involves such statistics as frequency distributions, measures of central tendency (e.g., mean and median) and dispersion (e.g., variance and standard deviation). Important variables associated with workers compensation claims include the following:

- **total indemnity costs** for the claim
- **total medical costs** for the claim
- **total physician, hospital and other medical costs** for the claim
- **claim duration** (calculated from date of injury to date of closing)²
- **time away from work** (calculated from date of disability to return to work date)
- **medical recovery time** for the claim (calculated from date of injury to date of maximum medical improvement)

These eight workers compensation variables, list above, will be analyzed in this section of the report. See Tables 3-11 through 3-14.

- From 1999 to 2002 mean³ total indemnity declined by some \$494.01 or 6.2 percent. The Division is 95 percent confident that the parameter mean for total indemnity in the 2002 study was \$7,442.08 +/- \$307.06, or between \$7,135.02 and \$7,749.14. For the 2001 OCC sample mean indemnity was \$6,530.81 +/- \$228.65, or somewhere between \$6,302.16 and \$6,759.46, for the 2000 OCC sample was \$7,235.45 +/- \$264.76 or between \$6,970.69 and \$7,500.2 and for the 1999 OCC sample was \$7,936.09 +/- \$306.92 or between \$7,629.17 and \$8,243.01.
- Mean total medical costs, however, have risen 34.7 percent (\$2,026.19) over the past four years. Reported mean total medical costs for the 2002 OCC sample were \$7,879.78 +/- \$332.67 or

² In Table 3-6 claim duration is calculated from date of claim closing back to the date of disability. For purposes here claim duration is calculated as back to the date of injury in order to reflect the full duration of a claim.

³ The mean is the arithmetic average of a set of numbers.

between \$7,547.11 and \$8,212.45. For 2001 mean costs were \$7,108.58 +/- \$232.69 (between \$6,857.89 and \$7,341.27), for 2000 mean medical costs were \$6,872.88 +/- \$280.39 (between \$6,592.49 and \$7,063.27) and \$5,853.59 +/- \$277.05 (between \$5,576.54 and \$6,130.64) for 1999.

- Median⁴ costs for all cost variables, however, are substantially lower than the mean for all years of the OCC study. Median total indemnity costs for the 2002 OCC study were \$2,573, for the 2001 OCC were \$2,296, an increase of 8.5 percent from 2000 (\$2,115) but a decrease of 21.5 percent from 1999 (\$2,926). For the period 1999-2002 median total indemnity costs are down 12 percent.
- Median total medical costs have risen each year that the OCC study has collected workers compensation claims data, a relative increase of 68 percent. In 2002 median total medical costs were \$4,108.50 and in 2001 median costs were \$3,834. This represents an increase of 14.7 percent from year 2000 (\$3,342) and up a staggering 56.7 percent from 1999 (\$2,447).
- Univariate statistics associated with total physician, total hospital and total other medical for 1999-2002 are listed in Tables 3-11 through 3-14.
- The mean claim duration for all claims in the 2002 OCC sample was 500.49 +/- 13.04 days. For the 2001 OCC sample mean claim duration was 449.83 +/- 9.19 days. The mean duration has risen 13 percent from the 2000 OCC sample (442.86 +/- 8.32 days) and 15.7 percent from the calculated mean duration for the 1999 sample (423.46 +/- 8.85 days).
- For 2002 mean time away from work, calculated as the time from disability to the date the claimant returned to work was 124.77 +/- 6.9 days. In 2001 mean time away from work was 76.42 +/- 3.27 days and 89.93 +/- 4.28 days in 2000. No data was available for the 1999 OCC sample. Mean time away from work for claimants in the OCC samples increased 38.7 percent from over three years.
- Mean medical recovery time was 391.55 +/- 11.53 days, for 2001 was 260.47 +/- 6.47 days, for the 2000 OCC sample was 256.46 +/- 6.52 days and in 1999 mean time was 279.04 +/- 6.77 days. In other words mean medical recovery time increased 40 percent from 1999 to 2002.
- As with median claim costs, the median numbers of days for the temporal characteristics associated with the claim are substantially lower than the mean. Median claim duration for the 2002 sample was 324.5, for 2001 was 332 days, for 2000 the median number of days was 329 and for 1999 was 314 days. For time away from work the median number of days for 2002, 2000 and 2001 was 47 days, 29 days and 32 days respectively. Median medical recovery time was higher than time away from work but lower than claim duration for all four years of the study (241.5 days in 2002, 174 days in 2001, 151 days in 2000 and 183 days in 1999).
- Statistical measures of dispersion, such as the standard deviation or skewness, help explain how the outliers “inflate” the mean for both claim costs and characteristics variables. All eight variables show a positive skewness value (greater than zero) for all four years of the OCC study.
- After four years of analyzing claims data the Division has concluded that the distribution of medical and indemnity claim costs in Kansas are not normally distributed and therefore, the median may be a more appropriate measure of central tendency for summarizing the closed claims costs data since this value is relatively unaffected by high cost outliers.
- For each of the last four years of the OCC study the sample distributions for claim costs and temporal variables have been positively skewed, or right skewed. Compared to a normally distributed variable, in the shape of a bell curve, the distribution of claim costs (for both indemnity and all medical variables) are skewed to the right with most of the claims bunched near the left wall of the histogram while a relatively few claims extend the histogram out, to the right

⁴ The median is simply the midpoint value (50th percentile) of the distribution, half of all values are above it and half are below it.

and give it a long tail. Hence, we use the term right skewed or positively skewed because the values in the tail extend the distribution out into positive, not negative, values. A quantitative assessment of the skewness of a distribution can be calculated (see Tables 3-11 through 3-14), but it must be assessed in conjunction with another measure, the kurtosis or the tendency of the data to be distributed toward the ends or tails of the spread. All eight variables show a positive skewness value (greater than zero) for all three years of the OCC study. For a normally distributed variable the kurtosis statistic would be close to zero.⁵ If the kurtosis measure is less than zero then the distribution is referred to as “light tailed” and if greater than zero it is described as “heavy tailed.” Since the distributions of all the variables under study are asymmetrical (values cannot be less than zero) the kurtosis measures signals that there are a substantial number of outliers (high cost and large number of days) in the tails of the distribution for the variables under study (the kurtosis is much higher for some of the medical cost variables).

Table 3-11
2002 OCC Study: Workers Compensation Claims* in Kansas

Univariate Statistics								
	Mean	Standard Error	Median	Standard Deviation	Skewness	Kurtosis	Coefficient of Variation	n
Total Indemnity (dollars)	7,442.08	307.06	2,573.00	12,863.64	3.82	18.93	172.85	1,755
Total Medical (dollars)	7,879.78	332.67	4,108.50	14,393.53	9.26	144.12	182.66	1,872
Total Physician Costs (dollars)	2,072.15	77.65	1,202.00	2,828.64	5.28	53.14	136.51	1,327
Total Hospital Costs (dollars)	3,902.37	189.37	2,327.50	5,897.96	5.12	42.04	151.14	970
Total Other Medical (dollars)	2,120.92	260.95	874.00	9,020.72	30.02	985.84	425.32	1,195
Claim Duration (days)	500.49	13.04	324.50	564.40	3.00	11.11	112.77	1,872
Time Away from Work (days)	124.77	6.90	47.00	243.90	6.28	57.74	195.52	1,249
Medical Recovery (days)	391.55	11.53	241.50	499.03	3.44	15.47	127.45	1,872

Source: Kansas Division of Workers Compensation

*Claims that closed in 2001 with paid indemnity & medical.

⁵ Actually, the kurtosis of the normal distribution is three but SAS software subtracts three from the calculation so that the reference point becomes zero, a more intuitively appealing number in their estimation.

Table 3-12
2001 OCC Study: Workers Compensation Claims* in Kansas

Univariate Statistics								
	Mean	Standard Error	Median	Standard Deviation	Skewness	Kurtosis	Coefficient of Variation	n
Total Indemnity (dollars)	6,530.81	228.65	2,296.00	10,746.36	3.61	17.84	164.55	2,209
Total Medical (dollars)	7,108.58	232.69	3,834.00	10,936.24	5.98	66.35	153.85	2,209
Total Physician Costs (dollars)	2,282.25	66.82	1,351.50	3,077.74	4.14	29.34	134.86	2,122
Total Hospital Costs (dollars)	4,314.73	187.53	2,300.00	7,594.41	8.94	140.10	176.01	1,640
Total Other Medical (dollars)	2,136.52	103.46	683.00	4,353.92	7.59	105.57	203.79	1,771
Claim Duration (days)	449.83	9.19	332.00	431.81	2.61	9.65	95.99	2,209
Time Away from Work (days)	76.42	3.27	32.00	121.46	3.38	14.36	158.94	1,378
Medical Recovery (days)	260.47	6.47	174.00	303.92	3.13	15.32	116.68	2,206

Source: Kansas Division of Workers Compensation

*Claims that closed in 2000 with paid indemnity & medical.

Table 3-13
2000 OCC Study: Workers Compensation Claims* in Kansas

Univariate Statistics								
	Mean	Standard Error	Median	Standard Deviation	Skewness	Kurtosis	Coefficient of Variation	n
Total Indemnity (dollars)	7,235.45	264.76	2,115.00	13,118.47	4.19	24.68	181.31	2,455
Total Medical (dollars)	6,872.88	280.39	3,342.00	13,892.52	11.06	200.06	202.14	2,455
Total Physician Costs (dollars)	2,770.01	131.20	1,369.00	6,409.96	23.60	833.40	231.41	2,387
Total Hospital Costs (dollars)	4,215.40	200.59	2,051.50	8,231.63	10.06	175.24	195.28	1,684
Total Other Medical (dollars)	1,603.54	93.34	557.00	4,144.81	10.76	175.05	258.48	1,972
Claim Duration (days)	442.86	8.32	329.00	412.25	2.28	8.92	93.09	2,455
Time Away from Work (days)	89.93	4.28	29.00	166.78	4.40	26.40	185.44	1,519
Medical Recovery (days)	256.46	6.52	151.00	323.20	3.38	17.74	126.03	2,455

Source: Kansas Division of Workers Compensation

*Claims that closed in 1999 with paid indemnity & medical.

Table 3-14
1999 OCC Study: Workers Compensation Claims* in Kansas

Univariate Statistics								
	Mean	Standard Error	Median	Standard Deviation	Skewness	Kurtosis	Coefficient of Variation	n
Total Indemnity (dollars)	7,936.09	306.92	2,926.00	14,294.14	4.85	36.36	180.12	2,169
Total Medical (dollars)	5,853.59	277.05	2,447.00	12,902.78	16.90	489.68	220.43	2,169
Total Physician Costs (dollars)	2,039.81	68.55	1,042.00	3,128.68	4.31	28.36	153.38	2,083
Total Hospital Costs (dollars)	3,612.86	171.30	1,655.00	6,538.48	6.41	68.60	180.98	1,457
Total Other Medical (dollars)	1,777.74	221.00	517.50	9,371.18	35.10	1,383.89	527.14	1,798
Claim Duration (days)	423.46	8.85	314.00	412.31	2.76	11.30	97.37	2,169
Time Away from Work (days)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Medical Recovery (days)	279.04	6.77	183.00	315.25	3.07	15.40	112.97	2,169

Source: Kansas Division of Workers Compensation

*Claims that closed in 1998 with paid indemnity & medical.

Section 4

Workers Compensation Fraud and Abuse

Introduction

The Workers Compensation Fraud and Abuse Investigation Unit was established in 1994. Staffing for the Unit comprises an Assistant Attorney General, who acts as the Unit's manager, three investigators and one clerical person. The Unit's responsibilities includes identifying potential fraud and abuse by investigating allegations of wrongdoing that are referred to the Unit and taking legal action when evidence gathered in the investigations indicates possible wrongdoing. In addition, the Unit sanctions employers who fail to file accident reports as required by K.S.A. 44-557. The Unit is dedicated to the investigation and prosecution of suspected workers compensation fraud, however the Unit also has directed its attention to the education of the public and the insurance industry. Also the Unit has filed cases against employers who have failed to file accident reports as required by K.S.A. 44-557.

Fraud in the workers compensation system may occur at any level involving employees, employers, insurance carriers, self-insured entities, attorneys, physicians and others who attempt to obtain or deny workers compensation benefits in a fraudulent manner. K.S.A. 44-5,120 lists 21 acts that constitute fraud and or abuse of the workers compensation system. K.S.A. 44-5,125 makes some acts a felony crime. The Fraud and Abuse Unit of the Division of Workers Compensation set a record this past fiscal year, as the data in this section will evidence. All information reported hereafter reflects activity during fiscal year 2002 (July 1, 2001 through June 30, 2002).

- This year the Fraud and Abuse Unit set a new record and collected the most in restitution and civil penalties ever, \$89,550.12 for fiscal year 2002. The Fraud and Abuse Unit has stepped up prosecution of workers compensation fraud violators. Not only is prosecution up, but enforcement of the judgment, i.e. collection of fines, penalties and restitution, has significantly increased.
- During the fiscal year 2002, the Fraud and Abuse Unit performed 213 investigations of those individuals, self-insured entities and employers who were alleged to have violated the Kansas Workers Compensation act. The Unit has provided Kansans with an aggressive program to fight fraud in the workers compensation system. Also in fiscal year 2002, the Unit pursued employers who failed to file accident reports as required by K.S.A. 44-557.

The Unit performs a vital service in helping reduce and punish workers compensation fraud violators and insures compliance with other relevant workers compensation laws in Kansas. However, this is not enough. The direct involvement of all Kansans is required to send the message that fraud will not be tolerated in Kansas.

Table 4-1
Overview of Fraud & Abuse Unit
Activity

Civil Cases Filed	42
Criminal Cases Filed	3
Total Cases Filed	45
<u>Moneys Collected</u>	<u>\$89,550.12</u>

Source: Kansas Division of Workers Compensation

Referrals

Information Received by the Unit

The Fraud and Abuse Unit receives information on alleged fraud and other violations of the workers compensation laws by phone, fax, e-mail, regular mail, or a submission from one of the other sections of the Division of Workers Compensation. Allegations of fraud and abuse are designated as a referral. This referral is reviewed by the Assistant Attorney General to determine if sufficient information is evident to warrant an investigation. If there is sufficient information, the case is given to an investigator for investigation. If insufficient information exists, the matter is either returned to the complaining party for further information or if that is not possible, then the referral is recorded but no investigation commences.

Reporting Fraud, Abuse or Lack of Compliance

Table 4-2 below indicates who reports allegations of fraud, abuse and lack of compliance to the Unit. As noted, reports come in from all persons within the workers compensation system.

Table 4-2
Who is Reporting Fraud, Abuse & Lack of Compliance

Fraud Reporting	Total
Persons Claiming Benefits	16
Employers Subject to Workers Compensation Requirements	5
Insurance Companies	46
Renderers of Medical Care & Physicians	4
Attorneys	23
Anonymous & Others	60
In-House	54
Self-insured employers	5

Source: Kansas Division of Workers Compensation

Referrals by Location

The Fraud and Abuse Unit records the location of the referrals by the county in which the fraud allegedly occurred. Table 4-3 lists the number of referrals received from each county.

- Of the 213 referrals, 22 came from Sedgwick County, 19 from Wyandotte County, 62 from Johnson County and 27 from Shawnee County.

Table 4-3
Referrals by County

Johnson	62
Shawnee	27
Sedgwick	22
Wyandotte	19
Reno	6
Douglas	5
Riley	4
Saline	4
Bourbon	3
Cowley	3
All Other Counties	58
Total Referrals	213

Source: Kansas Division of Workers Compensation

Types of Fraud

The Unit classifies the type of fraud reported as it relates to the fraud and abuse statutes as well as the compliance statutes. Table 4-4 lists the types of fraud, abuse, and lack of compliance cases reported to the Unit over the past year.

Type of Alleged Violators

Of the 213 referrals for the year, claimants were indicated in 49, employers 70, insurance entities 1, self-insured employers 10, renderers of medical care, attorneys and all others 83.

Table 4-4
Number Of Fraud, Abuse & Compliance
Cases Reported

Type of Fraud, Abuse & Compliance Referrals	Total
Obtaining or denying benefits by making false statements either orally or written, K.S.A. 44-5, 120 (D)(4).	67
Misrepresenting provisions of the Act to an employee, employer, or medical provider, K.S.A. 44-5, 120 (D)(11).	1
Failure to confirm benefits to anyone providing treatment to a claimant, K.S.A. 44-5, 120 (D)(15).	4
Refusing or failing to make prompt delivery to employee or legal beneficiary of funds belonging to the employee or legal beneficiary as a result of a settlement agreement, order or reward, K.S.A. 44-5, 120 (D)(10).	2
Failure to initiate or reinstate compensation when due, K.S.A. 44-5, 120 (D)(16).	3
Misrepresenting the reason for changing compensation, K.S.A. 44-5, 120 (D)(17).	3
Refusing to pay compensation as and when due, K.S.A. 44-5, 120 (D)(18).	10
Refusing to pay any order awarding compensation, K.S.A. 44-5, 120 (D)(19).	12
Failing to timely file accident reports, K.S.A. 44-557.	17
Receiving TTD or PTD benefits while working, K.S.A. 44-5, 125 (D).	18
Failure to maintain workers compensation insurance when required, K.S.A. 44-532 (d).	67
All other Fraud and Abusive Practices.	9

Source: Kansas Division of Workers Compensation

Investigations

The Fraud Unit has three full-time investigators. These investigators are not law enforcement officers, however, they perform almost identical investigative duties as sworn law enforcement. The investigation process includes activities such as interviewing witnesses, collecting evidence, forming liaisons with law enforcement groups as well as special fraud investigation units within the insurance industry and testifying in administrative and criminal actions.

Once an investigation is complete, the investigator will prepare an investigative summary for the Assistant Attorney General to review. Criminal or administrative action commences if the Assistant Attorney General determines that there is sufficient information to sustain the burden of proof in either a criminal or administrative action.

If the information indicates an insurance company as the alleged fraud violator, that information is referred to the Kansas Insurance Department for review. Per Kansas's law, the Kansas Insurance Department has authority to bring a fraud and/or abusive practice violation against insurance companies.

- Of the 213 referrals, some are referred to the Kansas Insurance Department for investigation or the Immigration and Naturalization Service or other authorities depending on the alleged violation involved.

If the information developed is insufficient to sustain the burden of proof in any action, the case is closed with no further action to be taken.

- The average time for an investigation was 78 days. The Assistant Attorney General made a decision to prosecute, refer or close the file within an average of 18 days.

Prosecution

The Unit is authorized to initiate criminal or administrative action against individuals and entities that appear to have committed fraud or abuse of the workers compensation system. The Unit has been extremely aggressive in this area. Civil actions are broken out into compliance and fraud actions.

- Three felony criminal cases were filed in Johnson, Seward, and Wyandotte Counties in FY2002.

Table 4-5
Number of Cases

Civil	42
Fraud/Abuse	20
Compliance	
K.S.A. 44-532	21
K.S.A. 44-557	1
Criminal	3
Total	45

Source: Kansas Division of Workers Compensation

Collections

This year the Unit has devoted serious effort to collection of fines, penalties and restitution. During either a criminal or administrative action, a penalty, fine, or restitution is requested but not necessarily ordered by the judge or hearing officer. The total amount collected for FY2002 was \$89,550.12.¹ The Unit makes every attempt to collect the funds due and owed to the Unit without any assistance. However in some instances the Legal Services Division of the Kansas Department of Human Resources is used to file collection action. Once the money is received, the statute requires that it must be deposited in the appropriate fund. Figure 4-6 shows the breakdown of which fund receives the money collected. Restitution is money that is returned to the victim of the fraud.

Figure 4-6
Fraud, Abuse & Compliance
Collections

Fee Fund K.S.A. 44-5, 120; 44-557	\$21,990.89
Workers Compensation Fund K.S.A. 44-532	\$53,672.21
Restitution K.S.A. 44-5, 120 & 44-5, 125	\$13,887.02
Total	\$89,550.12

Source: Kansas Division of Workers Compensation

Conclusion

The Division of Workers Compensation Fraud and Abuse Unit is and will continue aggressively investigating and prosecuting workers compensation violators. If you wish to report an employer failing to comply with the Workers Compensation Act, fraud or just have questions for the Unit, please do not hesitate to contact the Division. Finally, special thanks to David Sprick, Robert O'Loughlin, Judy Hanna, Georgia Rogers, and Andrew Bell, all of the Division, for their work on gathering and reporting the Unit's statistics.

¹ During the first six months of FY2003 the Fraud and Abuse Unit has collected over \$90,000 in civil penalties and restitution.

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Appendix A

Technical Notes: Occupational Injury and Illness Incidence Rates and the Open and Closed Claims Study

Occupational Injury and Illness Incidence Rates

BLS Survey of Occupational Injuries and Illnesses: BLS, with the help of the state agencies, selects a non-proportional stratified probability sample of employment establishments and mails them questionnaires. Employers are instructed to record all nonfatal employee injury and illness incidents, number of days away from work for each recorded injury/illness, the number of employee hours worked and the establishment's average employment. Participants in the annual survey consist of employers who maintain Occupational Safety and Health Administration (OSHA) records on employee injuries and illnesses on a regular basis under federal law and smaller employers who are exempt from OSHA record keeping requirements. The data collection process differs for the former and the latter. The former are mailed a questionnaire in February, following the survey year, and are asked to transfer from their records all injuries and illnesses incurred as well as demographic and hours worked data. The latter, exempt employers (those with fewer than 11 employees and those designated as "low-hazard industries" by OSHA) are notified in December of the prior year (contacted in December of 2000 to record injuries for the 2001 survey) that they have been chosen to participate in the survey and must keep records of all employee injuries. The participating state agencies are responsible for collecting data from employers within their jurisdiction and for submitting these questionnaires to BLS for analysis. The BLS uses its incidence rates as a benchmark by which to compare the frequency of injuries and illnesses occurring within jurisdictions, industries or specific occupations for a calendar year. The variable "Total Injuries and Illnesses per 100 Full-time workers" (the most widely quoted measure) is calculated as follows:

Formula: $IR = (N/EH) \times 200,000$

IR= Incidence Rate

N= Total number of occupational injuries and illnesses

EH= Total hours worked by all private industry employees during the calendar year

200,000= Base for 100 equivalent full-time workers- 40 hrs per and 50 weeks per year

Kansas Occupational Injury and Illness Incidence Rates: The Division collects data on the entire population of workplace injuries and illnesses in the state of Kansas for FY2001 through its first report of injury form and stores it in its relational database. Every employer covered under the Workers Compensation Act that has workplace injuries must submit first reports of injury. The severity of each occupational accident or illness and the industrial classification code are mandatory data elements that must be reported by employers to the state. The severity of each accident or illness is exhibited by the numerical codes representing the following severity categories: 0-No time lost, 1-Time lost, 2-Hospitalization, 3-Fatality. The Division's analysts utilized the BLS statistical formula (see above) to calculate the incidence of injury for each severity classification for Kansas's non-federal employment hours for the past eleven fiscal years. Data used in the calculation of incidence rates was obtained from the Kansas Labor Market Information Services and Division databases.

Kansas Open and Closed Claim (OCC) Study Methodology

The following is a description of the methodology used by the Technology and Statistics section of the Division for the 2002 Open and Closed Claim (OCC) Study.

Sample Design: The Division consulted with a professor of statistics from Washburn University in order to achieve both efficiency and effectiveness in the OCC Study. Rather than collecting data from the entire population of claims for a calendar year, which would be impractical (as it would result in very large data sets), extremely expensive, and labor intensive, the Division's researchers can randomly sample

the population and make valid inferences about its characteristics using reliable and credible statistical techniques.

Typically, it is preferable to use simple random sampling in a study of this nature. The goal of simple random sampling designs is to ensure that each element in the population has an equal chance of being selected for the study. However, this type of one-stage sampling of carriers is not an option for the OCC study since the Division must have a sample that is sufficiently large and accurately representative of the population in order to perform relevant statistical inference. The sample must also preserve the power of equal probability associated with simple random sampling for statistical purposes. This enables the researchers to process the statistics without having to weight any of the data, thus making the calculations simpler and easier for the public to understand. The paid loss claims are not evenly distributed within the carrier population. The carriers with higher paid losses tend to have a higher proportion of paid loss claims. Therefore, the Division needed to sample a larger percentage of these carriers in order to ensure that the sample was representative of the total population. In order to accommodate this situation, the Division has always utilized a two-stage type of probability sampling procedure known as "disproportionate stratified sampling." Unlike a simple random design, the stratified sample design ensures that different groups within the population will be adequately represented in the sample, thus increasing the accuracy of the parameter estimations. The general strategy employed is to first create strata (subsets of the total population) that are more homogeneous than the population as a whole, and then to sample a different fraction of each stratum population. Then, when combined, the resulting sample will be reasonably representative of the more heterogeneous total population. Furthermore, each carrier is required to sample claims from their database using simple random sampling techniques. This resulting sample will preserve the principle of simple random selection as each carrier of the sample is randomly selected from within each stratum.

The study team estimated that in order to obtain a statistically significant sample, it would be sufficient to sample approximately 35-40 insurance carriers, pools and self-insured organizations. The sampling method is as follows: The population was first stratified according to paid losses. The specific variable used to stratify this population was percent of total paid losses for all workers compensation claims in the state of Kansas. Subsequent to stratification, the Division selected carriers from each stratum by utilizing a random number generator. All carriers in any particular stratum had the same chances of being selected as any other carrier in the same stratum. The selected carriers were then asked to randomly select claims from their own databases that met the OCC study criteria. In consultation with the Division's statistician, the Division stratified the population as follows: Stratum 1 contains all members of the population with greater than or equal to 2 percent of the total paid losses. Stratum 2 contains all members of the population with greater than or equal to 1 percent (but less than 2 percent) of the total paid losses. Stratum 3 contains all members of the population with greater than or equal to 0.5 percent (but less than 1 percent) of total paid losses. Stratum 4 contains those members with greater than or equal to 0.25 percent (but less than 0.5 percent) of total paid losses. Stratum 5 contains members with greater than or equal to 0.1 percent (but less than 0.25 percent) of total paid losses. As discussed above, carriers from the strata needed to be sampled disproportionately in order to maintain the principle of simple random sampling. After running a sampling procedure and modifying sampling numbers, final sampling percentages were established for the various strata. 100 percent of the elements of stratum 1 were selected, 57.1 percent of the elements of stratum 2 were selected, 32 percent of the elements of stratum 3 were selected, 9.3 percent of the elements of stratum 4 were selected, and 9.9 percent of the elements of stratum 5 were selected. This resulted in a total sample of 38 elements from the total population, which satisfies the requirement of 35-40 elements necessary for a statistically significant sample. On occasion, if the situation arises, the Director of the Division may need to enlarge the study or substitute carriers for political, administrative or financial reasons. In order to accommodate the possibility of this occurrence, the Division created a backup list of carriers by first removing the initially selected carriers from the original database and sampling from the resulting list. Two carriers were selected from each of strata 2

and 3, and one more carrier was selected from stratum 4, yielding a total of five alternative carriers for inclusion in the study.

Data Collection: The organizations included in the study were then asked by the Division to randomly sample from their databases approximately 200 or less (if they did not have 200) claims for the specified calendar year. The sample was to be taken from each entity's pool of claims, including both medical and indemnity payments. Each claim in the sample was also required to have been open at least one day during the period of January 1, 2001 to December 31, 2001. The expected sample size of both the open and closed claims was approximately 3,611 random claims.

The Division secured permission from the National Council on Compensation Insurance to print and use the Detailed Claim Information (DCI) survey instrument in order to create data definitions and structure for the Kansas Open and Closed Claim Study survey. DCI is a national standard for reporting comprehensive claim data from insurance carriers. Adhering to the DCI structure, programmers in the Kansas Department of Human Resources created two software packages to assist reporting entities. One package was a manual entry system; the other application allowed a text file to be imported electronically. Both products included editing limitations on inputs to certain data fields. In addition, the Division's analysts performed data scrubbing on the data sets to ensure that accurate aggregate statistics were reported to the Legislature.

To assist reporting organizations in understanding data requirements and use of the new software, the Division offered assistance upon request. Following distribution of both software products, reporting entities were asked to provide data by May 31, 2002 on the complete history of their sample of claims. In addition, the Division asked that information on charges paid for certain types of services were reported quarterly for claims remaining open within the sample group.

Response Rate: Non-response bias is always a threat to the accuracy of a sample because non-respondents may differ significantly from survey respondents. Typically, in any study such as this, certain organizations do not respond due to various circumstances, including, but not limited to, bankruptcy, refusal to answer, or lost forms. In order to assess whether the OCC sample suffered from non-response bias, the Division calculated an estimated response rate for the study. In order to do this, the Division first assumed that claims reported by the carriers who had less than the required 200 were, in fact, all of their claims for the year 2001. For the purposes of calculating the non-response rate, the total number of claims not reported was estimated by comparing the number of submitted claims from carriers in the study within the same stratum. Specifically, the statistical mean of the number of claims received per carrier in each stratum was used to estimate the number of claims expected from each non-respondent in the same stratum. This estimation is known as the "mean imputation." The total number of claim records that the Division received was 3,306 out of an estimated 3,611 sampling units. The Division used the following standard formula to calculate the response rate, $R = 1 - [(n-r)/n]$, where n = sample size, and r = number of actual responses. The Division's analysts calculated a response rate of approximately 92 percent for this study, and thus a corresponding non-response rate of approximately 8 percent. The Division, in consultation with its statistician, concluded that the sample did not suffer from systematic non-response bias.